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Michael Waldman
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To: James T. Edmonds/WHO/EOP, Bruce N. Reed/OPD/EOP, Joshua A. Cohen-Peyrot/WHO/EOP, Elena Kagan/OPD/EOP

cc:

Subject: nga

This was in potus' speech on education today ..

It suggests the tone he wants to strike on Monday ...
Are we doing enough on education? I don't want to
get in one of these situations where we think the speech
is on one thing, and he thinks it's on another

" And let me say, the Secretary of Education and I are
about to leave to go out to Las Vegas to meet with the governors.
Now, if this event had gone on in 1979 or 1980 or 1983 or 1984, the
governors would have been the first group out there. And they've
been dragging their feet, and don't you believe for a moment that
Dick Riley and I aren't going to tell them what we saw at the
Elementary School Principals convention. (Applause.)

15 cities signed up



Final

PRESIDENT WILLIAM J. CLINTON
REMARKS FOR NATIONAL ASSOCIATION OF
ELEMENTARY SCHOOL PRINCIPALS
WASHINGTON, DC

JULY 25, 1997

Acknowledgments: Sec. Riley; Rep. Frank Riggs; Rep. Matthew Martinez; Sam Sava [SA-vuh] Executive Director; Yvonne Allen, President; Carole Kennedy, Past President; Jill Eaton, President-elect; the NAESP leadership and membership for early endorsement of “A Call to Action for American Education.”

Good morning. I want to start by thanking you for all that you do for America’s children. Every year, hundreds of thousands of children arrive on the doorsteps of your schools for the first time, to begin a journey of learning that will hopefully last for a lifetime. Every year, millions of parents place their children in your hands -- and their trust in your ability. And every year, you prove that their trust is well placed.

I believe that our nation's elementary school principals are the linchpin in our crusade to give every American child the best education in the world. When I was Governor of Arkansas, I chaired a task force on school leadership, and we found without question that a good principal makes all the difference in the quality of education a school provides its students. And I have seen proof of that in schools all over the country. Your leadership is critical, and as school enrollments reach record highs -- an estimated 54 million students by the year 2006 -- it will be more important than ever.

Today, I want to talk about why I have placed such emphasis on what you do, and on the priority we must give to education as we prepare for the 21st Century.

EDUCATIONAL STANDARDS

We must begin where our children's formal education begins: in our nation's elementary schools. We must demand excellence from every school and every teacher. We must repair and rebuild our schools, and make sure that they have the advantage of new technology. And we must make sure that our schools are safe and drug-free so that no child ever has to pay more attention to the threat of violence than to the teacher.

But the single most important thing we can do to give our children the world class education they deserve is to insist on high national standards, so that every child in America learns what he or she needs to know to succeed in the new world of the 21st Century.

For too many years, we were unwilling to insist that our schools teach to high national standards, for fear that some of our children could not reach them. We feared that children from disadvantaged backgrounds and struggling communities could not hold their own against more privileged children. And we believed it when we were told that American children would always lag behind the rest of the world on tests against children from other countries.

Last month, we learned how wrong we were when America's 4th graders led the world -- second only to Korea -- in science, and scored well above average in math on the annual TIMMS test. 6 years earlier, 4th graders taking a similar test scored well below average.

These tests prove that we don't have to settle for second class expectations or second class goals for any of our children. But they also show that by the time our children reach the 8th grade, those high test scores drop below the average. That is why we must take action now to raise our expectations and insist on high national standards for all of our children.

When we fail to encourage our children to learn to high standards, we are encouraging them to fail. But when we set high expectations and insist on high standards, there is no end to what our children can achieve. And it is up to every one of us to help them do it.

CITY SCHOOLS ANNOUNCEMENT

In my State of the Union address, I challenged every state and every school to adopt high national standards, and by 1999, to test every 4th grader in reading and every 8th grader in math to make sure those standards are met. These are not federal standards -- they are national standards that every child can meet, in every state and every city in America. After all, reading is reading, and math is math, whether you live in Anchorage or Appalachia. And excellence does not depend on geography.

Since I issued that call governors and education leaders in seven states -- California, North Carolina, Maryland, Massachusetts, Michigan, Kentucky and West Virginia, along with the Department of Defense schools all over the world, have announced their support for national standards and their desire to participate in this testing program as soon as it becomes available in 1999.

Today, I am pleased to announce that fifteen of our largest school districts -- including the schools in six of the seven largest cities in America -- have committed to meet these national standards, and measure the progress of their students against them.

From now on, students in New York, Philadelphia, Atlanta, Broward County, Florida, Cincinnati, Detroit, Chicago, Houston, San Antonio, El Paso, Omaha, Los Angeles, Long Beach, Fresno and Seattle will be held to and measured against the same standards in reading and math. This commitment means that 3.5 million more children -- one out of every 14 public schoolchildren in America -- will be held to world class educational standards in the basics.

I want to commend the superintendents and education leaders who have risen to the challenge of insisting on high standards.

For the first time, you will be able to measure your school districts' progress against other cities, and learn from school districts that are achieving good results. We all know that it won't be easy at first, but if the TIMMS test has shown us anything, it is that given the chance, all of our children can succeed.

Let me issue a further challenge to all of you.

Every school district and every school -- starting with every teacher, principal, school superintendent, and school board member in this room -- must incorporate these results into school and school district report cards.

That way, those who pay for and send their children to our public school can tell where they are succeeding and where they are not.

NATIONAL GOVERNMENT'S ROLE

We in the national government will continue do our part. The balanced budget agreement that we reached with the Congress in May takes Head Start the next step toward our goal of one million children. It will fund the Technology Literacy Challenge to bring us closer to connecting every classroom in America to the Internet. And it will fund the America Reads program and help make one million trained reading tutors available to give extra help to the children who need it most. I urge the Congress to act without delay to fund this program as we agreed to in May.

I am committed to help our nation's principals get the resources they need to do their part. And well-qualified, well-trained teachers, who can teach to high standards and inspire their students to meet those standards may be the most critical resource of all. That is why earlier this month, I announced a new initiative to offer scholarships to people will commit to teach in our hardest pressed communities for at least three years, and I urge Congress to pass this as well.

COLLEGE TAX CUT

As you know, educational excellence must extend throughout a lifetime. You have strongly supported our efforts to open the doors of college wider than ever. And so I briefly want to talk to you about the historic opportunity we now have to pass a balanced budget plan that includes the most substantial investment in education since 1965 -- and the biggest increase in support for college tuition since the GI Bill. We are now negotiating the final details of this plan with Congress, and I look forward to progress in the coming days.

Our balanced budget agreement specifically includes \$35 billion in targeted tax relief to help middle class families raise their children and pay for higher education. But the tax plan released by the Republicans falls far short of that commitment.

Make no mistake: we should have a tax cut -- and we must make sure that the interests of middle class families are the heart of it. Our tax cut should help families pay for four years of college. ^{AND GRADUATE SCHOOL} It should help ~~working~~ people get training throughout a lifetime. It should help middle class parents raise their children. And it should live within the boundaries of our balanced budget. Anything less does not honor our values or our responsibility to our children's future.

CONCLUSION/HAVE WE DONE ENOUGH?

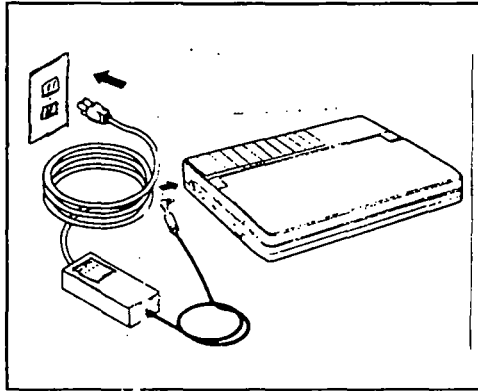
There is much that the national government can do to help families, and when it comes to education, we know that our success depends on state and local school systems, on superintendents and principals, on teachers and parents. You must have the conviction that every child in America can learn to high standards. You must demand those standards, and insist on tests to make sure they are being met. As we go forward, I want each of you to ask yourselves: have we done enough to help our children reach these standards? Have we done enough to give our children the tools to make the most of their lives? Have we done enough to help prepare America for the 21st Century?

Pearl Buck once said, “if our American way of life fails the child, it fails us all.” Today, we are one step closer to making sure that our way of life serves all of our children, and gives them the education they need and deserve. I thank all of you for doing your part.

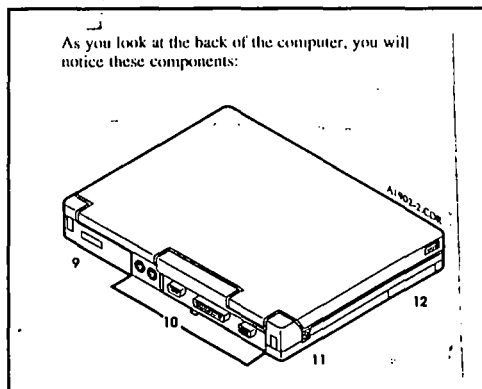
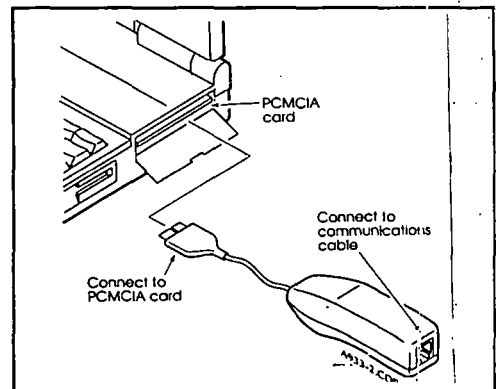
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Getting Started

- A. Plug the power cord into the power supply unit (black box approx. 4½" x 3" x 1" in dimension) and use the AC adapter cord to plug the power supply into the DC Input Connector on the left side of the AST Bravo PC. (See Figure 1)

**Figure 1**

- B. Pull open the modem panel door (identified as No. 12 in Figure 2 below). Connect the adapter module to the connector on the modem, or PCMCIA card. (See Figure 3)

**Figure 2****Figure 3**

- C. Plug in one end of your gray telephone cord to the black cylindrical adapter and the other end of the cord to your wall phone jack.
- D. Turn the computer on by pressing the Power Button located in the upper left corner of the keyboard.
- E. All selections from the OASIS Menu are made by typing the first letter of the listed item, even though that may not appear to be highlighted on your screen.

Accessing ALL-IN-1

- A. To dial into the Computer Center and access ALL-IN-1, select ALL-IN-1 off the OASIS Menu by typing the **A** key. When it prompts you for the phone number, type 395-4999 (in addition to any extra digits that may be required if you are calling long distance), then press the Enter key. You should hear the dialing and connection.
- B. The next prompt will be your logon ID. Press the Enter key to accept the default username displayed with the brackets, then type your password when prompted and press the Enter key again.
- C. When prompted for your SecurID windows display number, type the number currently displayed on your SecurID access card, then press the Enter key.
- D. Your numeric keypad keys on the AST keyboard are displayed in light yellow. To invoke the ALL-IN-1 EXIT key, normally the zero (0) on your office PC, depress the **Fn** key (just to the left of the spacebar) and press the **M** key.
- E. To hot-key between your ALL-IN-1 session and a DOS application (i.e. WordPerfect), hold down the **Alt** key and press the right **Shift** key. That same key combination will return you to ALL-IN-1.

NOTE: Because this is not an enhanced keyboard, some of the ALL-IN-1 editing/word processing function keys you normally might use, such as bolding and underlining, will be very difficult to use. Always remember to depress the **Fn** key when making any numeric keypad selections.

Using WordPerfect

- A. Selecting **W** from the OASIS Menu will take you into WordPerfect. All WordPerfect functions on the AST Bravo work the same way they do on your office PC.

**PRESIDENT WILLIAM J. CLINTON
NATIONAL GOVERNOR'S ASSOCIATION
LAS VEGAS, NEVADA
JULY 28, 1997**

Acknowledgments: Governor Miller -- thank you for your leadership of the NGA over the past year. Hillary and I are also grateful to you for your leadership in the area of early childhood development, an issue that we care so much about; Gov. Voinovich -- congratulations on assuming the NGA chairmanship; and Gov. Carper -- congratulations on becoming vice chairman; Sec. Riley; Mickey Ibarra, our new director of intergovernmental affairs; Fred Duval, deputy director for governors.

I am glad to be here in the great city of Las Vegas. Two days ago I was at Lake Tahoe. Governor Miller, you've got a beautiful state. This is the fifth year I have spoken to the NGA as President, and each year we have seen progress in strengthening the growing partnership between the White House and the state house. When I first took office in 1993, I had a clear vision of what it would take to prepare our country for the vast opportunities and challenges of the 21st century. I believed then, as I believe now, that we must be committed to the pursuit of opportunity for all, responsibility from all, in a community of all Americans.

That means that, above all, we must work together. The American people made it clear some time ago that they wanted a shift in the balance of power between Washington and the states. They wanted a smaller, more efficient federal government -- one that did not try to solve all problems, but set national priorities and gave people the tools to make the most of their own lives. They wanted a federal government that cost less and worked better. And we have given them that.

We all know that the best way to limit big government in Washington is to have better government in the states. Thanks to you, that is what we are getting. More and more of what used to be run out of Washington has now been turned over to you -- and you are proving that you are up to the challenge. We have also asked the American people to take a more active role in this new partnership -- calling for greater personal responsibility and a renewed commitment to citizen service. And that too is having a positive impact.

Just look at what we have accomplished together. In 1993, we put in place a new economic approach -- reducing the deficit to create the conditions for growth; investing in the education and skills of our people so all Americans can reap the rewards of prosperity; and an aggressive drive to open foreign markets to our goods and services. We now have the strongest economy in a generation: the deficit is down 77%; 12.5 million new jobs; unemployment is the lowest since 1973; we have the biggest drop in income inequality and the lowest inflation in 30 years. All this was made possible by the combined efforts of all of us in this room and citizens from Maine to Hawaii.

Our country is in strong shape. We are well prepared for the 21st century. But, today I want to talk about two things we must do to keep us on the right track. First, we must continue to move forward on welfare reform so that the problem of generational dependency does not become the legacy of this century and follow us into the next. And second, we must make sure we give our children the world's best education -- one that challenges them to achieve at the highest standards so they will have the skills and confidence to take advantage of the vast opportunities of the 21st century.

WELFARE REFORM

Fixing our broken welfare system has been one of the top priorities of my presidency. Since I took office, we granted waivers to 43 states to help you launch welfare reform experiments that emphasize work and personal responsibility. And last year we took the bold step of finally ending welfare as we know it. We began to transform the system -- to make welfare a second chance, not a way of life, and to elevate our values of family and work and responsibility. A year ago, I signed welfare reform into law to make tough work requirements, time limits and parental responsibility the law of the land. There was a lot of debate at the time over whether this bold experiment would work. We still have more to do. But today, the old debate is over: welfare reform works.

There are 3 million fewer people on welfare than the day I took office and a remarkable 1.2 million fewer since I signed welfare reform into law. Nine states have cut their rolls by more than 40% in the last four years. Wisconsin and Wyoming have cut their caseloads in half. This is the largest decrease in the welfare rolls in history, giving us the lowest percentage of the population on welfare since 1970.

But even more impressive than these numbers is the pride that comes from a mother being able to tell her children she now has a job, or a community being able to come together to create jobs and hire and train people on welfare, or a child who now has access to safe, healthy, good quality day care because her state chose wisely to invest in child care.

And we should also be proud of the fact that we are on course to fix the things we said we were going to fix. In the balanced budget agreement, we got commitments to restore the most egregious cuts in aid to legal immigrants and to restore \$1.5 billion for food stamps. State and local officials were central to this battle for fairness. You agreed with us that those provisions represented a cost-shift to states that would have undermined our efforts at true reform. And I thank you for that.

So, there is much that we should be proud of. But, there is also much more to do. Welfare reform is not a fait accompli, but a work in progress. You asked to be cut loose from federal bureaucratic strings that tied your hands and impeded the pace of reform -- and we did that. But we must never forget, with flexibility comes responsibility. When I signed that bill into law, I did not sign away my responsibility to make sure it achieved its stated purpose of

moving people from welfare to work. States now have both the added power and the added responsibility for making that a reality.

So, today, nearly one year after the enactment of welfare reform, I want to take a hard look at how we are doing -- to highlight our successes, point out our shortcomings and to challenge everyone involved -- welfare recipients, the business community, the religious community, civic and non-profit organizations, state legislatures, local officials and governors -- to redouble our efforts so that we can meet our goal of moving a million people from welfare to work by the year 2000.

We need to take a look at what states are doing in four areas that are critical to moving people off welfare: jobs, child care, transportation and child support.

The first thing we need to do is assess how well we are doing in creating jobs that will move people from welfare to work. As I have said all along, if we are going to require people to work we have to provide them with the opportunity to work. Nearly all state welfare-to-work programs include the traditional elements of job search, training, education, community work experience and placement in unsubsidized jobs. But now, 36 states are doing what I have encouraged every state to do -- use welfare checks to subsidize private jobs.

We made sure that the balanced budget agreement we reached with Congress included \$3 billion in welfare-to-work funds to help create the jobs to move people from welfare to work. I also secured a commitment from congressional leaders to give private employers tax incentives to hire long-term welfare recipients. Pennsylvania and Massachusetts are among those states that are already doing this. Let me say, I believe that every one of those new workers should earn at least the minimum wage and receive the protections of existing employment laws that other workers enjoy.

Our Welfare-to-Work partnership is bringing together CEOs of small and large companies committed to hiring people off welfare. I want to thank Governors Tommy Thompson and Tom Carper for co-chairing the Partnership's Advisory Council. I urge all of you to become members and I challenge you to create similar public/private partnerships in your own states. North Carolina is among a growing list of states that are already doing quite well in this area.

Here in Las Vegas, the state and the hotel/casino industry have been working closely to create training programs and hire welfare recipients. MGM Grand Hotel has hired over 1000 welfare recipients during the past several years. And the state has set a goal for new casinos to set aside 10 percent of all positions for former welfare recipients.

Child care is a critical support for families moving from welfare to work and low income families trying desperately to make ends meet. Parents need child care so they can work without worrying and children need quality child care so they can learn and grow. We simply cannot

expect parents to go to work if they have nowhere to send their children during the day. We would not think of imposing that dilemma on our families -- and we should not do that to families struggling to make the move to independence. That is why I made sure the welfare reform bill added \$4 billion more in child care assistance. Now, you must do your part.

I am pleased to report that efforts to expand child care are widespread. Because of the additional \$4 billion we secured in the welfare law, states are now receiving more federal dollars. About half the states are increasing their spending beyond what is needed to receive all of their new federal funds. Some states, including Florida and Wisconsin are adding quite a bit more. And some states are creating seamless child care systems which provide subsidies for all workers below a certain income, whether they have been on welfare or not. That is a model that should be followed throughout the country. So, I challenge every state to make a significant investment in child care.

The First Lady and I are convinced that the availability of quality, affordable child care for all who need it, is the next great frontier we have to cross to truly enable American families to reconcile the demands of work and home. That is why on October 23rd, we will convene the first-ever White House Conference on Child Care to discuss the strengths and weaknesses of the present system so we can find ways to achieve our goal.

The third thing we ought to take a look at is how well we are doing in making sure there is adequate transportation to get those moving from welfare to work to jobs, which often are outside their neighborhoods.

One of the biggest barriers facing people -- in cities and in rural areas -- who move from welfare to work is finding transportation to get to jobs, training programs and day care centers. Today, only about 6 percent of those on welfare have cars. In many big cities, no matter how long people sit on a public bus, they can't reach half the entry level jobs. At the same time, businesses in the suburbs need new workers. Our challenge is to make sure that lack of transportation is not an obstacle to getting people who want to work to jobs where they are needed. That is why I urge the Congress to pass a transportation bill that includes my proposal for \$600 million to help states and local communities devise transportation strategies to move people from welfare to work.

Some communities and states have already started to address the transportation challenges of welfare reform. Kentucky's "Empower Kentucky" initiative combines the resources of four cabinet offices in a free transportation brokerage system that will assure transportation is available in all areas of the state. Michigan's "Project Zero" provides transportation in its effort to put every able-bodied welfare recipient to work. And in Wisconsin, where only 3.5 percent of welfare recipients own cars, the state's "Job Ride" initiative is vanpooling thousands of central city workers to suburban jobs. Other states are devoting a portion of their welfare block grant funds to transportation. We need this kind of innovation in more states. And we need Congress to support these types of efforts in the ISTEA bill.

Fourth, we know that child support can be the difference between welfare and self-sufficiency. Every child has two parents and they are entitled to the support of two parents. We have made remarkable progress in this area -- increasing child support collections by 50% from 1992 to 1996. And we made sure the welfare law included tough new measures to help states track deadbeat parents across state lines. To date, however, not all states have taken all the steps to put these measures in place. For those states that are lagging behind, this is one of the critical steps in welfare reform. For the sake of the law and the children, it cannot wait. Work with your legislatures to get it done. And put in place no-nonsense state-wide child support collection systems that work for every child and every family.

Finally, let me add a caution. Welfare reform will only work if states continue to use the savings they are now seeing to move more people into the workforce -- those savings should not be diverted to other uses.

Together, we have lowered the welfare rolls by over 3 million people in four-and-a-half years. That is a great accomplishment. But we all know that many of the people left on the welfare rolls are those with the least skills and experience, who may require extra help in getting into the workforce. That is why I believe debates in some state Capitols about how to divert welfare savings away from welfare reform to other uses are just plain wrong. We should invest those savings to put even more people to work. Cutting back on child care or financing a big tax cut defy the spirit of the law. I challenge every state to follow Maryland's lead -- take the money you save from lowering your caseloads and use it for the child care, transportation, and training that people need to move from welfare to work.

It is clear: as we approach the first anniversary of this bill, welfare reform is working. But, we must not rest on this early success. We still have a ways to go to make the permanent underclass a thing of the past. I know of the good work you all are doing. I urge all of you to intensify those efforts. We need to make sure we uphold our end of the welfare reform bargain, as well as our most cherished values of work, family, and responsibility.

EDUCATION

I want to ask for your help in one other area -- education. As you know, the centerpiece of my comprehensive plan for improving American education -- and the most important thing we can do to give our children the world class education they deserve -- is an insistence on high standards. Not federal standards, but national standards of excellence that every child can meet.

In my State of the Union, I challenged every state to adopt these high standards, and by 1999 to test every 4th grader in reading and every 8th grader in math to make sure these standards are met. Since I issued that call, governors and education leaders in six states have agreed to participate in these tests. I want to thank North Carolina, Maryland, Massachusetts, Michigan, Kentucky and West Virginia, along with the Department of Defense schools all over

the world for stepping up to this challenge.

Last week, Secretary Riley and I attended a meeting of the National Association of Elementary School Principals in Washington, where we announced that fifteen of our largest school districts -- including the schools in six of the seven largest cities in America have committed to adopt national standards and participate in this testing program. That means that now 8.6 million children -- one out of every 5 public schoolchildren in America -- will be held to world class educational standards in the basics. So, we are making progress. But we need more states to join this effort. For more than a decade, governors have been the leaders in educational reform. You have been leading the effort to raise standards in your states. But as long as each state is doing this on its own, your students will not know if they are meeting the requirements of the global economy. They deserve better than that -- and we have a responsibility to give it to them.

This is not about the federal government taking over education, it is about every one of us doing all we can to inspire our children to reach for and realize their highest potential. We owe it to our children to set high standards and to measure how well they are doing -- not just against your state's expectations, but against the requirements they must meet throughout the country and the world. And we have to take whatever steps are needed to ensure that all our kids can meet these standards. So, today I urge every governor who has not stepped up to this challenge to do so. It is the most important thing we can do to prepare our children to succeed in the century ahead.

Welfare reform and education reform -- both are state responsibilities, but national priorities. And both are critical to making sure America is strong and growing into the next century. I want to thank all of you for your leadership on these two important fronts. But I want to caution you that nothing we do in these areas will matter unless we come together as One America.

ONE AMERICA

Last month, in San Diego, I issued a call for all our citizens to begin a great national dialogue about the issue of race. I asked us to focus on how we can enter the next century as the most successful multiracial, multiethnic, multireligious democracy the world has ever known. And I was pleased that two former governors -- Thomas Kean of New Jersey and William Winter of Mississippi -- agreed to serve on my advisory board.

You are already seeing the great demographic shift that is literally changing the face of America. Today, Hawaii is the only state in America that has no majority race. Within four years, California will also have no majority race. And within 30 years, there will be no majority race in this country. We know what we will look like in a generation -- the question before us today, is what will we be like. Can we respect and celebrate our differences, while uniting around a common set of values? Can we open our minds and hearts to ensure that all our citizens

of every race, ethnic background and income level, have an equal chance to make the most of their lives?

How we answer those questions will determine what kind of a nation we will be in the next century. We will need your help in the coming months as we grapple with the difficult issues that still divide us and set a course of unity for our future. I know I can count on your support.

Thank you and God bless you all.

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NATIONAL GOVERNOR'S ASSOCIATION
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WELFARE REFORM

Fixing our broken welfare system has been one of the top priorities of my presidency.

Since I took office, we granted waivers to 43 states to help you launch welfare reform experiments that emphasize work and personal responsibility. And last year we took the bold step of finally ending welfare as we know it. We began to transform the system -- to make welfare a second chance, not a way of life, and to elevate our values of family and work and responsibility. A year ago, I signed welfare reform into law to make tough work requirements, time limits and parental responsibility the law of the land. There was a lot of debate at the time over whether this bold experiment would work. We still have more to do. But today, the old debate is over: welfare reform works.

There are 3 million fewer people on welfare than the day I took office and a remarkable 1.2 million fewer since I signed welfare reform into law. Nine states have cut their rolls by more than 40% in the last four years. Wisconsin and Wyoming have cut their caseloads in half. This is the largest decrease in the welfare rolls in history, giving us the lowest percentage of the population on welfare since 1970.

But even more impressive than these numbers is the pride that comes from a mother being able to tell her children she now has a job, or a community being able to come together to create jobs and hire and train people on welfare, or a child who now has access to safe, healthy, good quality day care because her state chose wisely to invest in child care.

And we should also be proud of the fact that we are on course to fix the things we said we were going to fix. In the balanced budget agreement, we got commitments to restore the most egregious cuts in aid to legal immigrants and to restore \$1.5 billion for food stamps.

State and local officials were central to this battle for fairness. You agreed with us that those provisions represented a cost-shift to states that would have undermined our efforts at true reform. And I thank you for that.

So, there is much that we should be proud of. But, there is also much more to do. Welfare reform is not a fait accompli, but a work in progress. You asked to be cut loose from federal bureaucratic strings that tied your hands and impeded the pace of reform -- and we did that. But we must never forget, with flexibility comes responsibility.

When I signed that bill into law, I did not sign away my responsibility to make sure it achieved its stated purpose of moving people from welfare to work. States now have both the added power and the added responsibility for making that a reality.

So, today, nearly one year after the enactment of welfare reform, I want to take a hard look at how we are doing.

I want to highlight our successes, point out our shortcomings and challenge everyone involved -- welfare recipients, the business community, the religious community, civic and non-profit organizations, state legislatures, local officials and governors -- to redouble our efforts so that we can meet our goal of moving a million people from welfare to work by the year 2000.

We need to take a look at what states are doing in four areas that are critical to moving people off welfare: jobs, child care, transportation and child support.

The first thing we need to do is assess how well we are doing in creating jobs that will move people from welfare to work. As I have said all along, if we are going to require people to work we have to provide them with the opportunity to work. Nearly all state welfare-to-work programs include the traditional elements of job search, training, education, community work experience and placement in unsubsidized jobs. But now, 36 states are doing what I have encouraged every state to do -- use welfare checks to subsidize private jobs.

We made sure that the balanced budget agreement we reached with Congress included \$3 billion in welfare-to-work funds to help create the jobs to move people from welfare to work. I also secured a commitment from congressional leaders to give private employers tax incentives to hire long-term welfare recipients.

Pennsylvania and Massachusetts are among those states that are already doing this. Let me say, I believe that every one of those new workers should earn at least the minimum wage and receive the protections of existing employment laws that other workers enjoy.

Our Welfare-to-Work partnership is bringing together CEOs of small and large companies committed to hiring people off welfare. I want to thank Governors Tommy Thompson and Tom Carper for co-chairing the Partnership's Advisory Council. I urge all of you to become members and I challenge you to create similar public/private partnerships in your own states. North Carolina is among a growing list of states that are already doing quite well in this area.

Here in Las Vegas, the state and the hotel/casino industry have been working closely to create training programs and hire welfare recipients.

MGM Grand Hotel has hired over 1000 welfare recipients during the past several years. And the state has set a goal for new casinos to set aside 10 percent of all positions for former welfare recipients.

Child care is a critical support for families moving from welfare to work and low income families trying desperately to make ends meet. Parents need child care so they can work without worrying and children need quality child care so they can learn and grow. We simply cannot expect parents to go to work if they have nowhere to send their children during the day.

We would not think of imposing that dilemma on our families -- and we should not do that to families struggling to make the move to independence. That is why I made sure the welfare reform bill added \$4 billion more in child care assistance. Now, you must do your part.

I am pleased to report that efforts to expand child care are widespread. Because of the additional \$4 billion we secured in the welfare law, states are now receiving more federal dollars. About half the states are increasing their spending beyond what is needed to receive all of their new federal funds.

Some states, including Florida and Wisconsin are adding quite a bit more. And some states are creating seamless child care systems which provide subsidies for all workers below a certain income, whether they have been on welfare or not. That is a model that should be followed throughout the country. So, I challenge every state to make a significant investment in child care.

The First Lady and I are convinced that the availability of quality, affordable child care for all who need it, is the next great frontier we have to cross to truly enable American families to reconcile the demands of work and home.

That is why on October 23rd, we will convene the first-ever White House Conference on Child Care to discuss the strengths and weaknesses of the present system so we can find ways to achieve our goal.

The third thing we ought to take a look at is how well we are doing in making sure there is adequate transportation to get those moving from welfare to work to jobs, which often are outside their neighborhoods.

One of the biggest barriers facing people -- in cities and in rural areas -- who move from welfare to work is finding transportation to get to jobs, training programs and day care centers.

Today, only about 6 percent of those on welfare have cars. In many big cities, no matter how long people sit on a public bus, they can't reach half the entry level jobs. At the same time, businesses in the suburbs need new workers. Our challenge is to make sure that lack of transportation is not an obstacle to getting people who want to work to jobs where they are needed. That is why I urge the Congress to pass a transportation bill that includes my proposal for \$600 million to help states and local communities devise transportation strategies to move people from welfare to work.

Some communities and states have already started to address the transportation challenges of welfare reform.

Kentucky's "Empower Kentucky" initiative combines the resources of four cabinet offices in a free transportation brokerage system that will assure transportation is available in all areas of the state. Michigan's "Project Zero" provides transportation in its effort to put every able-bodied welfare recipient to work. And in Wisconsin, where only 3.5 percent of welfare recipients own cars, the state's "Job Ride" initiative is vanpooling thousands of central city workers to suburban jobs. Other states are devoting a portion of their welfare block grant funds to transportation. We need this kind of innovation in more states. And we need Congress to support these types of efforts in the ISTEA bill.

Fourth, we know that child support can be the difference between welfare and self-sufficiency. Every child has two parents and they are entitled to the support of two parents. We have made remarkable progress in this area -- increasing child support collections by 50% from 1992 to 1996. And we made sure the welfare law included tough new measures to help states track deadbeat parents across state lines. To date, however, not all states have taken all the steps to put these measures in place.

For those states that are lagging behind, this is one of the critical steps in welfare reform. For the sake of the law and the children, it cannot wait.

Work with your legislatures to get it done. And put in place no-nonsense state-wide child support collection systems that work for every child and every family.

Finally, let me add a caution. Welfare reform will only work if states continue to use the savings they are now seeing to move more people into the workforce -- those savings should not be diverted to other uses.

Together, we have lowered the welfare rolls by over 3 million people in four-and-a-half years. That is a great accomplishment.

But we all know that many of the people left on the welfare rolls are those with the least skills and experience, who may require extra help in getting into the workforce. That is why I believe debates in some state Capitols about how to divert welfare savings away from welfare reform to other uses are just plain wrong. We should invest those savings to put even more people to work. Cutting back on child care or financing a big tax cut defy the spirit of the law. I challenge every state to follow Maryland's lead -- take the money you save from lowering your caseloads and use it for the child care, transportation, and training that people need to move from welfare to work.

It is clear: as we approach the first anniversary of this bill, welfare reform is working. But, we must not rest on this early success. We still have a ways to go to make the permanent underclass a thing of the past. I know of the good work you all are doing. I urge all of you to intensify those efforts. We need to make sure we uphold our end of the welfare reform bargain, as well as our most cherished values of work, family, and responsibility.

EDUCATION

I want to ask for your help in one other area -- education.

As you know, the centerpiece of my comprehensive plan for improving American education -- and the most important thing we can do to give our children the world class education they deserve -- is an insistence on high standards. Not federal standards, but national standards of excellence that every child can meet.

In my State of the Union, I challenged every state to adopt these high standards, and by 1999 to test every 4th grader in reading and every 8th grader in math to make sure these standards are met. Since I issued that call, governors and education leaders in six states have agreed to participate in these tests.

I want to thank North Carolina, Maryland, Massachusetts, Michigan, Kentucky and West Virginia, along with the Department of Defense schools all over the world for stepping up to this challenge.

Last week, Secretary Riley and I attended a meeting of the National Association of Elementary School Principals in Washington, where we announced that fifteen of our largest school districts -- including the schools in six of the seven largest cities in America have committed to adopt national standards and participate in this testing program.

That means that now 8.6 million children -- one out of every 5 public schoolchildren in America -- will be held to world class educational standards in the basics. So, we are making progress. But we need more states to join this effort. For more than a decade, governors have been the leaders in educational reform. You have been leading the effort to raise standards in your states. But as long as each state is doing this on its own, your students will not know if they are meeting the requirements of the global economy. They deserve better than that -- and we have a responsibility to give it to them.

This is not about the federal government taking over education, it is about every one of us doing all we can to inspire our children to reach for and realize their highest potential. We owe it to our children to set high standards and to measure how well they are doing -- not just against your state's expectations, but against the requirements they must meet throughout the country and the world.

And we have to take whatever steps are needed to ensure that all our kids can meet these standards. So, today I urge every governor who has not stepped up to this challenge to do so. It is the most important thing we can do to prepare our children to succeed in the century ahead.

Welfare reform and education reform -- both are state responsibilities, but national priorities. And both are critical to making sure America is strong and growing into the next century. I want to thank all of you for your leadership on these two important fronts. But I want to caution you that nothing we do in these areas will matter unless we come together as One America.

ONE AMERICA

Last month, in San Diego, I issued a call for all our citizens to begin a great national dialogue about the issue of race.

I asked us to focus on how we can enter the next century as the most successful multiracial, multiethnic, multireligious democracy the world has ever known. And I was pleased that two former governors -- Thomas Kean of New Jersey and William Winter of Mississippi -- agreed to serve on my advisory board.

You are already seeing the great demographic shift that is literally changing the face of America. Today, Hawaii is the only state in America that has no majority race. Within four years, California will also have no majority race. And within 30 years, there will be no majority race in this country.

We know what we will look like in a generation -- the question before us today, is what will we be like. Can we respect and celebrate our differences, while uniting around a common set of values? Can we open our minds and hearts to ensure that all our citizens of every race, ethnic background and income level, have an equal chance to make the most of their lives?

How we answer those questions will determine what kind of a nation we will be in the next century. We will need your help in the coming months as we grapple with the difficult issues that still divide us and set a course of unity for our future. I know I can count on your support.

Thank you, and God bless you all.

**U.S. Department of Commerce
Office of the Under Secretary
for Technology**

**14th Street and Constitution Avenue, NW
Room 4814C, Washington, DC 20230**

FAX

Date: 7/24/97

Number of pages including cover sheet: 6

To: **Terry Edmonds
Speechwriting**

Fax: 456-2239

From: **Marc Cummings**
Phone: (202) 482-8323
Fax: (202) 482-4817

RE: **Points for the President's Speech at the National Governors' Association**

Terry,

Please find attached draft speech points about the U.S. Innovation Partnership that the Vice-President launched at the last Governors' meeting. Since the last NGA meeting, Commerce Secretary Daley and White House OSTP Director, John Gibbons, signed a Memorandum of Understanding with Governors John Rowland (R-CT) and Parris Glendenning (D-MD) to formally establish the U.S. Innovation Partnership that Vice-President kicked off.

Attached are:

- Draft speech points
- Letter from the Preident to NGA Chairman, Goveror Bob Miller
- The White House press release from the last NGA meeting in February
- A brief overview of the U.S. Innovation Partnership.

If you have any questions please call me at 482-8323.

Draft language for the President's speech to the National Governor's Association announcing the U.S. Innovation Partnership

[Another key area where we are working in partnership with the States...giving Governors a larger role in Federal policy]

As we move into the 21st century, we must continue America's leadership in science and technology, which is critical to improving the lives of all Americans and ensuring that we can compete in the new global marketplace.

To stimulate the development and use of new technologies that can help us meet our common goals of generating economic growth, improving our schools and health care, and better protecting the environment at lower cost, we have established the "U.S. Innovation Partnership" to allow the States to have a greater role in the design and implementation of federal science and technology policies.

With the establishment of the U.S. Innovation Partnership, we begin to move from a *Federal* science and technology system to a truly *national* system, in which a partnership among the states, industry, universities, and the federal government will strengthen a national innovation system that can produce long-term economic growth and rising living standards for our people. This new partnership is a key foundation for our bridge to the 21st century.

Other Information

At the last National Governors' Association (NGA) meeting (February 4, 1997), Vice President Gore joined with Governors Parris N. Glendening of Maryland and John G. Rowland of Connecticut, NGA's lead Governors on technology, to launch the United States Innovation Partnership (USIP).

Since the last NGA meeting, Governors Glendening and Rowland; Secretary of Commerce, William M. Daley; and the President's science advisor, John H. Gibbons signed a Memorandum Of Understanding formally establishing the U.S. Innovation Partnership.

THE WHITE HOUSE

WASHINGTON

February 3, 1997

The Honorable Bob Miller
Chair
National Governors' Association
Hall of States
444 North Capitol Street
Washington, D.C. 20001-1502

Dear Bob:

Continued U.S. leadership in science and technology is critical to improving the lives of all Americans and ensuring that we can compete in the new global marketplace. That means government policies that encourage -- rather than constrain -- private sector investment and innovation. It also means strengthening our schools and universities, and investing in the development of knowledge and technologies critical to the nation's economic growth, security, and quality of life.

As we approach the 21st century, strengthening our national science and technology system will require building new partnerships between the federal and state governments. Building on the work of the State-Federal Technology Partnership Task Force led by former Governors Richard Celeste and Richard Thornburgh, I am committed to working with our nation's governors to establish a U.S. Innovation Partnership. This partnership will coordinate federal and state efforts to stimulate the development and use of new technologies that can help us meet our common goals of generating economic growth, improving our schools and health care, better protecting the environment at lower cost, and reinventing our government at all levels.

I would like to express my appreciation for your leadership in this area, and for the support of the National Governors' Association on this important effort.

Sincerely,



The White House
Office of the Press Secretary

Press Release from
the last NGA meeting

For Immediate Release
February 3, 1997

White House and Governors Agree to Cooperate on Technology

Washington -- The White House and the nation's governors agreed today to work together to promote economic growth by stimulating the development and use of new technologies in areas such as advanced manufacturing, education, health care and electronic commerce.

"Ensuring continued U.S. leadership in science and technology is critical to improving the lives of all Americans and ensuring that we can compete in the new global marketplace. As we approach the 21st century, strengthening our national science and technology system will require building new partnerships between the Federal and state governments," said President Clinton in a letter to Nevada Governor Bob Miller, Chairman of the National Governors' Association.

Speaking before the winter meeting of the National Governors' Association in Washington, Vice President Gore announced an agreement with the Nga to establish a new mechanism for coordinating Federal and state technology efforts.

"We are ready to launch a new 'U.S. Innovation Partnership' to coordinate Federal and state efforts to stimulate the development and use of new technologies that can help us meet our common goals of generating economic growth, improving our schools and health care, better protecting the environment at lower cost and reinventing our government at all levels," said Vice President Gore.

Under the new partnership, the White House and Federal agencies will designate liaisons to work with states on such issues as:

Removing regulatory barriers to the adoptions of new technologies in such areas as telemedicine, environmental technologies and the building and construction industries;

Developing programs to stimulate technology investments in rural areas and states that traditionally receive less Federal research funding;

Addressing the technical, legal and other issues associated with the expansion of electronic commerce and

Expanding the capacity of the Manufacturing Extension Partnership to help modernize the nation's 380,000 small- and medium-sized manufacturers.

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Overview

Increasing Technology's Contribution to the Nation's Economy Through the United States Innovation Partnership

At the last National Governors' Association (NGA) meeting, Vice President Gore joined with Governors Parris N. Glendening of Maryland and John G. Rowland of Connecticut, NGA's lead Governors on technology, to launch the United States Innovation Partnership (USIP). The USIP establishes a new working relationship between the nation's Governors and the White House to achieve new economic growth, high-quality jobs, and globally competitive businesses by effectively leveraging U.S. science and technology leadership and resources through partnerships among states, the federal government, industry, and universities.

The USIP brings together key people not only to change policies, but also to change how business is conducted between state and the federal governments. State and federal governments each have unique capabilities to promote technology-intensive, state-based economic growth. While the federal government seeks to create an environment that fosters innovation and plays a major role in funding the early end of technology development, economic development occurs locally and states play a significant role in creating a business climate that allow companies to succeed in a global marketplace. Often, a healthy national innovation system is dependent on the combination of national policies and successful local and regional technological development strategies. To that end, state and federal officials must work together to coordinate state and federal policies to promote innovation and economic growth.

USIP Leadership

The USIP facilitates the direct interaction between Governors and Cabinet-level officials to promote technology-intensive, state-based economic growth. The Partnership seeks to involve the states in the development of federal science and technology policies. This will allow federal policies to be more congruent with the goals of states.

Since the last NGA meeting, Governors Glendening and Rowland; Secretary of Commerce, William M. Daley; and the President's science advisor, John H. Gibbons; signed the memorandum of understanding formally establishing the U.S. Innovation Partnership.

Twenty-four Governors are participating in the partnership and have designated senior advisors to represent them in the USIP.

Already, the USIP is showing results:

- In March, Secretary William M. Daley announced to Congress that he would conduct a study of the Commerce Department's **Advanced Technology Program (ATP)**. As part of this process, the National Governors' Association solicited and compiled recommendations representing the views of the states. Referring to the input of states, the Secretary recently announced several important changes to the ATP. The first stated goal in the Secretary's report is to enhance the state role in ATP projects

- The Small Business Administration is working with states to implement the **Angel Capital Electronic Network (ACE-Net)**, which will use the Internet to match billions of dollars of private sector "angel" capital with hi-tech entrepreneurs around the nation. ACE-Net is being piloted in six states in association with university centers or other quasi-public development finance organizations.
- Working through the USIP, the Commerce Department is giving the states a major role in creating a new **Experimental Program to Stimulate Competitive Technology (EPSCoT)**. To develop a program that builds state-wide capacity for technology-based economic development, the Department is holding a series of meetings with state leaders to ensure that the program has the greatest impact in the states.
- With leadership from Kansas Governor Bill Graves and the U.S. Small Business Administration (SBA), USIP is exploring options that will increase the economic impact of federal **Small Business Innovation Research (SBIR)** awards in the states.
- The National Institute of Standards and Technology's **Manufacturing Extension Partnership (MEP)** has asked the National Governors' Association to facilitate a working group of state officials to compile recommendations on the strategic direction of manufacturing extension in the United States. Senior state officials will help to develop an action agenda for enhancing the deployment of services to manufacturers.

With new models of consultation and cooperation like these, USIP provides support to Governors to work with the Administration on science, technology, and economic development policy.

States w/ GOP Governors that are OK to mention

Wisconsin

Iowa

N. Dakota

S. Dakota

Kansas

Oklahoma

Montana

Utah

Pennsylvania

Maine

Massachusetts

Michigan

Minnesota

Idaho

Mississippi

West Virginia

Louisiana

Wyoming

Demo States OK to hit?

States to avoid

Ohio

Illinois

Connecticut

New York

Arizona

New Mexico

Texas

Alabama

Virginia

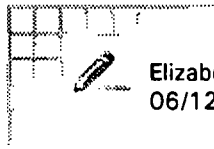
S. Carolina

New Jersey

Rhode Island

Tennessee

California



Elizabeth R. Newman
06/12/97 01:38:51 PM

Record Type: Record

To: See the distribution list at the bottom of this message

cc:

Subject: President Names Members of Advisory Board to President's Initiative on Race

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

June 12, 1997

PRESIDENT NAMES MEMBERS OF ADVISORY BOARD TO THE PRESIDENT'S INITIATIVE ON RACE

President Clinton today announced his intent to appoint seven members to an advisory board for "One America in the 21st Century: The President's Initiative on Race."

The advisory board will counsel the President on his initiative to promote a national dialogue on controversial issues surrounding race; to increase our understanding of the history of race relations and the common future people of all races share; to recruit leadership at all levels to help bridge racial divides; and to propose actions to address critical areas such as education, economic opportunity, housing, health care, crime and the administration of justice.

President Clinton has cited the nation's most important mission as building one America. "Money cannot buy it. Power cannot compel it. Technology cannot create it. It can only come from the human spirit," he has said.

Advisory board members were selected based on their outstanding leadership on the issue of race and their contributions to America's ongoing efforts to achieve racial reconciliation. The President sought a group that would provide diversity on a number of fronts, be respected in their fields and work well together, exemplifying the relationships he hopes the whole initiative will engender.

LINDA CHAVEZ-THOMPSON, of Washington, DC, is an Executive Vice President with the AFL-CIO. Ms. Chavez-Thompson has 29 years experience in the labor movement. She joined the American Federation of State, County and Municipal Employees in

1971 and became the first person of color to be elected to one of the top officer positions at the AFL-CIO.

SUZAN D. JOHNSON COOK, of Bronx, New York, is Senior Pastor of the Bronx Christian Fellowship Church. She is also the first female chaplain of the New York City Police Department. In 1983, the Rev. Dr. Cook became the first African-American woman to serve as Senior Pastor at Mariners' Temple Baptist Church, the oldest American Baptist Church in New York City. From 1993 to 1994, Dr. Cook was a White House Fellow, working for the White House Domestic Policy Council. She served as a consultant to the U.S. Department of Housing and Urban Development from 1994 to 1997. Dr. Cook received a B.S. from Emerson College in 1976, an M.A. from Columbia University Teachers College in 1978, an M.Div. from Union Theological Seminary in 1983 and a D. Min. from United Theological Seminary in 1990.

JOHN HOPE FRANKLIN, of Durham, North Carolina, is a retired historian and educator, who most recently served as Professor of Legal History at Duke University Law School from 1982 to 1992. President Clinton awarded Dr. Franklin the Presidential Medal of Freedom in 1995. Dr. Franklin's scholarly work has focussed on the Civil War and Reconstruction era and includes the 1946 landmark study *From Slavery to Freedom*. Dr. Franklin received his A.B. degree from Fisk University in 1935, an M.A. from Harvard University in 1936 and a Ph.D. from Harvard University in 1941.

THOMAS H. KEAN, of Madison, New Jersey, is the former Republican Governor of New Jersey. Governor Kean currently serves as President of Drew University in Madison, New Jersey. He is the chairman of President Clinton's Campaign to Reduce Teenage Pregnancy. He served on the United States delegation to the Women's Rights Conference in Beijing in 1995. Governor Kean holds numerous awards from environmental and educational organizations, including more than 25 honorary degrees. Governor Kean received a B.A. from Princeton University and an M.A. from Columbia University Teachers College.

ANGELA E. OH, of Los Angeles, California, is an attorney with the Los Angeles law firm of Beck, De Corso, Daly, Barrera & Oh, specializing in state and federal criminal defense. Following the riots in Los Angeles, she served as Special Counsel to the Assembly Special Committee on the Los Angeles Crisis. Ms. Oh received a B.A. and M.P.H. in 1981 from the University of California and a J.D. in 1986 from the University of California.

ROBERT THOMAS, of Coto DeCaza, California, currently serves as President and CEO of Nissan Motor Corporation, U.S.A. Mr. Thomas recently created a partnership with the Los Angeles Urban League to increase opportunities for women and minorities in the automobile industry. Mr. Thomas is also a director of the Nissan Foundation, which issues grants to support community agencies in South Central Los Angeles. Mr. Thomas holds a B.S. in Engineering from the U.S. Air Force Academy.

WILLIAM F. WINTER, of Jackson, Mississippi, is the former Democratic Governor of Mississippi and is currently in private law practice with the law firm of Watkins, Ludlam & Stennis. Governor Winter serves as Chair of the National Commission on the State

and Local Public Service and the National Issue Forum Institute. While Governor, he fought for education reform, equal opportunity for all citizens and better relations between the races. He received his B.A. in 1943 and LL.B. in 1949 from the University of Mississippi.

The President has asked **CHRISTOPHER EDLEY, of Cambridge, Massachusetts**, to serve as a consultant to the advisory board and the President. Mr. Edley has been a Professor at Harvard Law School since 1981 and is co-director of The Civil Rights Project, a recently launched think tank based at Harvard University. Mr. Edley served as Special Counsel to President Clinton, directing a review of affirmative action. Mr. Edley received a B.A. from Swarthmore College in 1973, an M.P.P. from the Kennedy School of Government and a J.D. from Harvard Law School in 1978.

- 30-30-30 -

Message Sent To: _____

Since 1973, invest and grow economies.

Def down 77 %. 12.5 M jobs; this yr lowest unemp. since 1973, biggest drop in come inequality and lowest inflation in 30 yrs.

Now, pass bal bud/bal values. \$900 B savings/10 yrs. Up to 5 M+ insured children; biggest educ incr since 1965; millions off welfare; secures Medicare for decade; 500 toxic sites; legal immigrants.

Mainstream tax cut, fair to working families: All wkg families should get child credit; \$35 B for Ed; no time bomb tax cuts. **Educ:** #1 goal; 4th graders tied for #2 in science, above avg. in math.

- **Peace/freedom:** 200 trade agreements, # 1 exporter, NATO, Fast track

- **Role of govt:** free TV, campaign reform.

- **Community:** Bggst drop in violent crime 35 yrs: 100K police, assault ban, Brady 250K, now Juv Justice bill.

One America: 30- 50 yrs. no maj. race, Hawaii now, Calif. in 3-5 years. 5 school

FOR INTERNAL USE--NOT FOR DISTRIBUTION**July 23, 1997****ECONOMIC PROGRESS IN NEVADA UNDER PRESIDENT CLINTON**

President Clinton's strategy to strengthen the economy is based on reducing the federal budget deficit, lowering trade barriers, and empowering workers, families, businesses and communities to succeed. Here are some of the results for Nevada after the first 52 months of the Clinton Administration:

Improved Economic Conditions in Nevada:

- Under President Clinton's administration, the unemployment rate has dropped from 7.3% to 4.4%.
- Under President Clinton's administration, Nevada has added 238,800 new jobs or 55,108 per year, compared to 23,375 per year during the previous administration.
- Under President Clinton's administration, Nevada has added 221,200 new private-sector jobs or 51,046 per year, compared to 18,900 per year during the previous administration.
- Under President Clinton's administration, Nevada has added 12,100 new manufacturing jobs or 2,792 per year, compared to 625 per year during the previous administration.
- Under President Clinton's administration, Nevada has added 41,400 new construction jobs or 9,554 per year, compared to 100 per year during the previous administration.
- Under President Clinton's administration, home building has increased 18.5% per year, after decreasing 13.4% per year during the previous administration.
- Under President Clinton's administration, consumer confidence has increased 74.9%.
- Under President Clinton's administration, bank lending has increased 24.8% per year, after decreasing 10.3% per year during the previous administration.
- Under President Clinton's administration, business failures have increased 4.0% per year, after increasing 8.7% per year during the previous administration.

What President Clinton's Accomplishments Have Achieved for the People of Nevada:

\$15,000 OF REDUCED FEDERAL DEBT FOR EVERY FAMILY OF FOUR IN NEVADA: The national debt will be more than \$1 trillion lower over 7 years than was projected before the passage of the President's economic plan. That's about \$15,000 of reduced federal debt for each family of four in Nevada.

9 TIMES MORE NEVADA FAMILIES RECEIVE A TAX CUT THAN A TAX INCREASE: As a result of the expanded Earned Income Tax Credit, 74,516 working families in Nevada will receive a tax cut. This compares to an increase in the income tax rate for only the 8,625 wealthiest taxpayers in Nevada.

TAX CUT FOR 6,753 SMALL BUSINESSES IN NEVADA: The President helped entrepreneurs, proprietors, and other small businessmen and women by expanding the annual expensing allowance from \$10,000 to \$17,500. About 6,753 small businesses in Nevada are likely to benefit from the expansion of the expensing allowance this year alone and many more will benefit over the coming years.

261,000 NEVADA WORKERS PROTECTED BY FAMILY AND MEDICAL LEAVE ACT: The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child, to care for a sick family member, or if they become too sick to work. This law covers about 261,203 workers in Nevada, and protects the jobs of 15,692 workers in Nevada who are likely to use unpaid leave this year alone.

44,100 STUDENTS AND FORMER STUDENTS IN NEVADA WILL BE ABLE TO BENEFIT FROM STUDENT LOAN REFORMS: Approximately 44,100 Nevada borrowers -- 30,900 current borrowers and 13,200 new borrowers in the next few years -- can take advantage of the new direct student loan program by participating directly in the program or by consolidating guaranteed loans into direct loans. Some will benefit from lower interest rates, and all will benefit from more repayment options, including income contingent repayment.

THE WHITE HOUSE

Office of the Press Secretary

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RADIO ADDRESS BY THE PRESIDENT
TO THE NATION

The Oval Office

THE PRESIDENT: Good morning. We come together this weekend to celebrate Independence Day, our 221 years of freedom and the fundamental values that unite us as one America: All of us should have an equal chance to succeed, and all of us have the same obligation to work hard, to be law-abiding citizens, to give something back to our community to earn in our generation the freedom our Founders established.

These are the values that have guided our efforts to end welfare as we know it. Today, I want to talk to you about the progress we have made over the last four and a half years, the changes now underway, and what we must do -- all of us -- to make sure that welfare reform honors those values, too.

For four and a half years, my administration has been committed to putting an end to the old welfare system that trapped too many families in a cycle of despair. Working with the states, we first launched welfare reform experiments in 43 states that emphasize work and personal responsibility.

Then, last summer, I signed historic legislation that revolutionized welfare into a system that supports families and children, but demands work from those who are able to perform it. It was a dramatic step, but we knew the time was right to put an end to a system that was broken beyond repair. As of July 1st, just a few days ago, welfare reform has taken effect in all 50 states. This week, the old welfare system came to an end. Now a new system based on work is taking its place. This system demands responsibility, but not only from the people who are now required to work, but also from every American.

We knew last August that the new welfare reform law was not a guarantee, but a bold experiment. So far, it's working. I am pleased to announce that today there are 3 million fewer people on welfare than there were the day I took office -- a remarkable 1.2 million fewer since I signed welfare reform into law. This is the largest decrease in the welfare rolls in history, giving us the lowest percentage of our population on welfare since 1970.

We have begun to put an end to the culture of dependency, and to elevate our values of

family, work and responsibility. But we have only begun. Now we must continue to work together to meet our goal of moving a million more people from welfare to work by the year 2000.

Since I took office, the economy has added 12.5 million new jobs -- and many economists believe we will continue to produce the jobs we need to meet our challenge. But even so, it won't be easy, because many of the people who remain on welfare have never worked before; still others live in poor communities without enough jobs. So if we expect people to work, we need to make sure there's work for them to go to. And we need to make sure that those with no previous work experience, without present connections to mainstream America, get both the preparation and the support they need to succeed.

The national government will do its part. First, the balanced budget agreement we reached with Congress in May provides \$3 billion to create jobs to move people from welfare to work. I secured a commitment from congressional leaders to give private employers tax incentives to hire long-term welfare recipients as well. And I believe that every one of those new workers should earn at least the minimum wage and receive the protections of existing employment laws that other workers enjoy.

Second, we must help welfare recipients get to the new jobs, which often are outside their neighborhoods. That's why I recently proposed legislation providing \$600 million to help states and local communities devise transportation strategies to move people from welfare to work.

Third, we must make sure that mothers who must now go to work have good child care and adequate health care for their children. That's why I made sure that the welfare reform bill added \$4 billion more in child care assistance, and why I fought for the Balanced Budget Agreement to extend health care coverage to millions more uninsured children.

States must also do their part. Many states are already working to reduce caseloads and free resources to put even more people to work. For example, Wisconsin and Florida are significantly increasing their investments in child care. In Oregon, they're providing health care and transportation support, and subsidizing jobs with money that used to pay for welfare checks.

Today, I challenge every state to take the money they save from lowering their caseloads and use it -- for child care, for transportation, to subsidize the training and wage help that people need to move from welfare to work.

As much as the national and state governments can do to move people from welfare to work, we know the vast majority of the jobs must be created by private business. The most lasting way to bring people on welfare into the mainstream of American life is with a solid job in the private sector.

So, to every businessperson who has ever criticized the old system, I say: That system is gone. It's now up to you to help make the new system work. Already, businesses of all sizes have joined in a national Welfare-To-Work Partnership, committed to hiring welfare recipients and to recruiting other employers to join them. I've committed the federal government to hire 10,000 welfare recipients over the next four years. If you have a business and can hire just one, it will be a great citizen service.

This Independence Day, all Americans should be very happy that 3 million of our fellow citizens are now off welfare rolls. If we can provide another million jobs, then we'll have about 3 million more workers and their children who can celebrate their own independence day by the turn of the century.

So as we celebrate our nation's past and the values that unite us, let us look forward to the future, and let us redouble our determination to give more and more of our fellow citizens their own personal independence day. Thanks for listening.

END

THE GOVERNORS, POLITICAL AFFILIATIONS, AND TERMS OF OFFICE, 1997

<i>State or jurisdiction</i>	<i>Governor</i>	<i>Regular term, in years</i>	<i>Present term began</i>	<i>Number of previous terms</i>	<i>Maximum consecutive terms</i>
Alabama	Fob James Jr. (R)	4	1-95	1 (a)	2
Alaska	Tony Knowles (D)	4	12-94	—	2
American Samoa	Tauese P. Sunia (D)	4	1-97	—	2
Arizona	Fife Symington (R)	4	1-95	1 (b)	(c)
Arkansas	Mike Huckabee (R)	4	7-96 (d)	—	2 (d)
California	Pete Wilson (R)	4	1-95	1	2
Colorado	Roy Romer (D)	4	1-95	2	2 (c)
Connecticut	John G. Rowland (R)	4	1-95	—	—
Delaware	Tom Carper (D)	4	1-97	1	2 (e)
Florida	Lawton Chiles (D)	4	1-95	1	2
Georgia	Zell Miller (D)	4	1-95	1	2
Guam	Carl T.C. Gutierrez (D)	4	1-95	—	2
Hawaii	Benjamin J. Cayetano (D)	4	12-94	—	2
Idaho	Philip E. Batt (R)	4	1-95	—	—
Illinois	Jim Edgar (R)	4	1-95	1	—
Indiana	Frank O'Bannon (D)	4	1-97	—	2
Iowa	Terry E. Branstad (R)	4	1-95	3	—
Kansas	Bill Graves (R)	4	1-95	—	2
Kentucky	Paul E. Patton (D)	4	12-95	—	2
Louisiana	Mike Foster (R)	4	1-96	—	2
Maine	Angus S. King Jr. (I)	4	1-95	—	2
Maryland	Parris N. Glendening (D)	4	1-95	—	2
Massachusetts	William F. Weld (R)	4	1-95	1	2 (f)
Michigan	John Engler (R)	4	1-95	1	2 (g)
Minnesota	Arne H. Carlson (R)	4	1-95	1	—
Mississippi	Kirk Fordice (R)	4	1-96	1	2
Missouri	Mel Carnahan (D)	4	1-97	1	2 (e)
Montana	Marc Racicot (R)	4	1-97	1	2 (h)
Nebraska	E. Benjamin Nelson (D)	4	1-95	1	2 (i)
Nevada	Bob Miller (D)	4	1-95	2 (j)	2
New Hampshire	Jeanne Shaheen (D)	2	1-97	—	—
New Jersey	Christine T. Whitman (R)	4	1-94	—	2
New Mexico	Gary E. Johnson (R)	4	1-95	—	2
New York	George E. Pataki (R)	4	1-95	—	—
North Carolina	James B. Hunt Jr. (D)	4	1-97	3 (k)	2
North Dakota	Edward T. Schafer (R)	4	12-96	1	—
Northern Mariana Is.	Froilan C. Tenorio (D)	4	1-94	—	2 (e)
Ohio	George V. Voinovich (R)	4	1-95	1	2
Oklahoma	Frank Keating (R)	4	1-95	—	2
Oregon	John A. Kitzhaber (D)	4	1-95	—	2
Pennsylvania	Tom Ridge (R)	4	1-95	—	2

Puerto Rico	Pedro Rosselló (D) (l)	4	1-97	1	—
Rhode Island	Lincoln Almond (R)	4	1-95	—	2
South Carolina	David M. Beasley (R)	4	1-95	—	2
South Dakota	William J. Janklow (R)	4	1-95	2 (m)	2
Tennessee	Don Sundquist (R)	4	1-95	—	2
Texas	George W. Bush (R)	4	1-95	—	—
Utah	Michael O. Leavitt (R)	4	1-97	1	(n)
Vermont	Howard Dean, M.D. (D)	2	1-97	3 (o)	—
Virginia	George Allen (R)	4	1-94	—	(p)
Virgin Islands	Roy L. Schneider, M.D. (R)	4	1-95	—	2
Washington	Gary Locke (D)	4	1-97	—	(q)
West Virginia	Cecil Underwood (R)	4	1-97	1 (r)	2
Wisconsin	Tommy G. Thompson (R)	4	1-95	2	—
Wyoming	Jim Geringer (R)	4	1-95	—	2

NOTES

Party affiliations: D-Democrat, R-Republican, I-Independent

(a) Governor James served a previous term from 1979 to 1983.

(b) Governor Symington was elected in a runoff election February 26, 1991. No candidate in the November 1990 general election had received a majority of votes, as then required by Arizona law. The law was repealed by voters in 1992.

(c) The term of office is limited to two consecutive four-year terms; however, because this provision was passed during the Governor's administration, he has been grandfathered from the provision. After his third term, he will not be eligible to run again.

(d) Governor Huckabee, as lieutenant governor, became Governor in July 1996 after Governor Jim Guy Tucker resigned. After he completes his current term, he is eligible to serve two more terms.

(e) Absolute two-term limitation, but not necessarily consecutive.

(f) The term of office will be limited to two consecutive four-year terms beginning with the Governor elected in 1998. Governor Weld has been grandfathered from that provision, and he is eligible to serve one more term.

(g) The term of office is limited to two four-year terms; however, Governor Engler may seek reelection in 1998 because the law became effective after he was first elected in 1990.

(h) Absolute limit of eight years of service out of every sixteen years.

(i) After two consecutive terms as Governor, the candidate must wait four years before becoming eligible to run again.

(j) Governor Miller, as lieutenant governor, became Governor after Governor Richard H. Bryan was elected to the U.S. Senate in 1988. Governor Miller was elected to four-year terms in November 1990 and November 1994.

(k) Governor Hunt served previous terms from 1977 to 1981 and from 1981 to 1985.

(l) Governor Rosselló also is a member of the New Progressive Party in Puerto Rico.

(m) Governor Janklow served previous terms from 1979 to 1983 and from 1983 to 1987.

(n) The term of office is limited to three consecutive four-year terms beginning with the Governor elected in 1996; however, because this provision was passed during Governor Leavitt's administration, he has been grandfathered from the provision and is eligible to serve two additional terms.

(o) Governor Dean, as lieutenant governor, became Governor in August 1991 after the death of Governor Richard A. Snelling. He was elected to full two-year terms in November 1992, November 1994, and November 1996.

(p) Governor cannot serve immediate successive terms.

Absolute limit of eight years of service out of every fourteen years.

Governor Underwood served a previous term from 1957 to 1961.

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THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

February 6, 1996

REMARKS BY THE PRESIDENT
IN PLENARY SESSION
WITH NATIONAL GOVERNORS ASSOCIATION

J.W. Marriott
Washington, D.C.

11:25 A.M. EST

THE PRESIDENT: Thank you very much. Thank you, Governor Thompson, Governor Miller, fellow Governors and friends. It is always good to be back here and I very much appreciate what you said, Governor Thompson. I must say, I also enjoyed standing outside in the hall and listening to the last three or four speakers discuss the last resolution; it made me homesick and proud that I once was a member of this body.

Let me begin, Governor, by congratulating you on the work that you have done on Medicaid, on welfare and on a number of other issues. And let me also thank the lead Republican and Democratic Governors who worked on the Medicaid issue. I see you around this table. You were good enough to work with us in the White House to keep us up with what you were doing to enter into intense discussions with us, and I'll have a little more to say about it in a minute.

But this is, in any case, a very impressive accomplishment that all of you have voted for a new framework that will preserve the guarantee of health care coverage to the people who need it, and give the states the flexibility they need to operate the program.

Let me also say, in general, this Governors' Conference has, I think, been in the best tradition of the National Governors Association, as people have worked together in good faith across party lines to find real solutions to real problems.

I'd also like to express my appreciation to Senator Dole for what he said earlier here today, and the genuine spirit of cooperation that he evidenced in his remarks, I must say, was also evidenced in the more than 50 hours we have spent together in discussing the budget. I like him; I believe we will get a budget deal. I didn't like everything he said about wanting to spend some more time

around the White House next year. (Laughter.) But then again, I was a little concerned the other night when Gary Morris was singing at the White House, and I discovered that Governor Thompson, Governor Engler and Governor Voinovich were checking out Al Gore's office. (Laughter.)

But it's good for America, this kind of competition. I also want to say, Governor Branstad, I was encouraged to hear Senator Dole say he thought we'd get a farm bill pretty soon. We've got a 15-year high in wheat prices and about an 18-year high in bean prices and corn is about \$3.60. We need a farm bill, and we need to strike while the iron's hot so we can keep this going.

This has been a good meeting for you, and it's been a good day for me. And yesterday and the day before, when you were at the White House, were good days, because I always enjoy working with the governors.

As I said at the dinner, I think the framers would be pleased by this great debate in which we are engaged in Washington and in which you are also engaged. It goes beyond the very important questions of what government should do in our society and what we should not do, to the question of which level of government should do certain things and how they should be done. This movement is part of the sweeping changes now going on in our society.

We see that the changes in how we work and live together in a world that is dominated by information technologies and the markets of the global village are changing the way everybody does business. And I'd like for you to take just a minute before we get back into the substance of the issues that you've been working on to step back and look at the context in which this debate is taking place.

We are living in a world that includes dramatic changes in the nature of work, principally defined by work becoming more and more identified by the content of ideas and information, and less with physical labor. We have changes in the nature of work organizations; they're more flexible, they're less bureaucratic and often they're smaller. It's interesting that in that all the new businesses that have been created, new jobs that have been created in our country, for the last 15 years the Fortune 500 companies have reduced their aggregate employment in each of those years. In the last three years, however, small businesses owned by women alone have created more new jobs than the Fortune 500 has laid off -- changes in the nature of work organizations.

And finally, there are dramatic changes in the nature of markets, both financial markets and markets for goods and services. They are more instantaneous in their movement and more worldwide in their scope.

Now, these changes have given our country with a strong and diverse economy, what I called in the State of the Union, a great new age

of possibility. I believe that. I believe that more of our people will be able to live out their own dreams than ever before. But these changes have also done what fundamental changes always do. They have led to a great uprooting in the patterns of life and work in America. And there are new challenges to us to preserve the American Dream for all citizens who are willing to work for it, to maintain our cherished values and our leadership for peace and freedom.

This is the context in which this debate should be viewed. Look at the economic picture. America in the last three years has almost 8 million new jobs, the lowest combined rates of unemployment and inflation in 27 years, a 15-year high in homeownership, an all-time high in exports, which has, in large measure, led to those high prices for farm products that I mentioned.

The auto industry leads the world again. We've had 700,000 new jobs in construction, we're number one in the manufacture of telecommunication satellites, and each of the last three years our people have set successive records for the formation of new businesses and for the creation of new self-made millionaires -- not people who were given their money, but people who made it with the opportunities that were there for them in this country.

This is a remarkable thing. But it is also remarkable that, for the first time in our history, all this occurred while more than half of the American people didn't get a raise, and felt increasing insecurity about job loss or the loss of health care or pension benefits, or the ability to educate their children.

Yesterday I had a conversation with an old friend of mine from a Western state who is a marvelously successful person now in his own right. And by pure accident of history, 40 years ago and more, he and his brother and I attended the same little brick grade school in my hometown in Arkansas. He's a terrific success, he's had a great life.

His brother made a great success of his life, but at the age of 49, he has already been laid off twice from two different companies simply because the companies were bought by other companies -- not because he was unproductive, not because there was something wrong with him, not because he didn't do what he was supposed to do in life. The other day I got a letter from a friend of mine that I keep in touch with, a man I went to grade school with. He came from a very poor family. He was the first person from his family who graduated from college. And he told me that after nine and a half months of looking he had finally gotten another job.

He was an engineer with a Fortune 500 company, who at the age of 49, along with two other 49-year-old engineers, was laid off. They had children to educate, things to do. And this is also a factor of this great churning economy. So we have to see this economy in terms of all of its possibilities and its continuing challenges, which presents a paradox.

You can imagine what the ordinary person feels going home at night after work and turning on the television and hearing how the great the economy is, and then filtering it through their own personal experience. It just depends on whether their experience conforms to the statistics, whether they really buy it.

Our challenge is to figure out how to set and keep in motion all these wonderful changes, and shape them in a way that makes the American Dream available to everybody again. It's a great challenge, but we can do it. If you look at the world, you see the same thing. America has been very fortunate, not only in the trade numbers I mentioned, but to play a role in leading the world toward peace and freedom and greater security, not only in the obvious places like Northern Ireland and the Middle East and Bosnia and in Haiti, where tomorrow for the first time in the history of the country they will have a peaceful democratic transfer of power, but in reducing the threat of nuclear weapons, extending the Nonproliferation Treaty, passing START II, trying to get a comprehensive test ban treaty this year.

But at the same time we know, and we have seen in our own country, that there are new threats of our security that are a function of the age of possibility, where people can move around in a hurry, where people can get information on the Internet about how to build bombs, where anybody can be a neighborhood terrorist because of the high tech information you can get as long as you've got a computer, where someone in Tokyo can break open a little vial of poison gas and kill hundreds of people.

So we have new challenges, even as we become more secure. And we see it in terms of what's happened to our ability to maintain our basic values. I am profoundly encouraged that the crime rate, the welfare and food stamp rolls, the poverty rate, and the teen pregnancy rate, and even the divorce rate, are down in the last couple of years. I think that is a very good thing for America. But, let's face it, we all know they're still too high. And we all know that we pay a price together because they are.

So I say to you that, as we debate this great transformation of government, the question we really ought to keep in our mind is: are the changes we're making going to contribute to making the American Dream available to all our people? Are we going to accelerate all the wonderful things that have brought us this age of possibility and meet the challenge? Are they going to help people to solve their own problems? Are they going to help families to solve their own problems? Are they going to help communities to work together to solve their own problems?

That, it seems to me, is the great question of this age. Government should change just like all other big organizations that are changing because the demands are changing, the objectives are changing, we are doing what the framers intended us to do. And in the exercise you have performed here in the last three days, by getting together and working hard and dealing with these tough

issues and always trying to consider what the human impact of the changes was going to be, you have done what the framers knew we would have to do from time to time if our great country was going to endure.

In the State of the Union I tried to outline what I think our major challenges are, and let me just briefly recount from here. I think as a people -- not the government's challenges, our people's challenges -- to build stronger families and better childhoods for all of our children, to open educational opportunity for every single citizen, for children and for adults for a lifetime, to develop a new economic security for all families that are willing to work for it in a way that supports the dynamism of this economy and doesn't undermine it, to make our streets safer and take them back from gangs and drugs, to make crime the exception rather than the rule in America again, to provide a cleaner and healthier environment for today and tomorrow in a way that grows and doesn't shrink the economy, to maintain our leadership for freedom and peace in the world, and especially for us to reinvent, to change our government so that it works better and inspires more trust.

I believe the central lesson I have learned here in the last three years is that the genuine debate in America is not between big government and small government; we already have the smallest government we've had since 1965 -- it's 205,000 people smaller than it was the day I took the Oath of Office.

We're getting rid of 16,000 of the 86,000 pages of federal regulations; we may get rid of more. It's not between government and markets; we know there has to be a mix. We know the market can't solve all problems, and we know when the government tries to solve them all it only makes it worse.

The central lesson I have drawn from the experiences of the last three years and from observing what is happening in our country and throughout the world is that what works in the world is what works around this table, that while we can't go forward with the idea that the government can solve all of our problems, we must not go back to an era where people were left to fend for themselves.

We cannot solve the complex problems of the modern world unless we work together in a genuine spirit of community, where everybody does his or her part, and where we sharply define what the role of government is and what the role of federal, state and local governments are, what the role of the private sector is, what the role of people in their family lives is, where we all try to work together to enable people to make the most of their own lives and grass-roots communities to rise up.

That is the central lesson that I draw from every experience I have had as President. And that is the perspective I bring to the work that you have done. We know that one-size-fits-all government doesn't work. We know that the American people are not about to get rid of all government, and they shouldn't. And we do know, I

believe, that we can't go back to fend-for-yourself, winner-take-all society.

Our national government shouldn't try to do everything. There are some things that we should do, that we do directly. National defense is the best and clearest example, and our military does it better than anybody else in the world, and better than they ever have. We do have, it seems to me, when we have national challenges, a responsibility to articulate a clear national vision, set goals, challenge people from every walk of life to meet the goals, and then do what we can to empower them to succeed.

In other words, sometimes what we have to do is define the what and let others, as much as possible, determine the how. That's what the Crime Bill does. It was clear to me when I became President that there was something terribly wrong when the violent crime rate had tripled in the last 30 years and the size of our police force had only gone up by 10 percent.

It was obvious, if you went to communities all over the country, that there were places where the crime rate was going down, and the one thing they all had in common was a clear, disciplined, operating community policing strategy. So we passed a crime bill that said we're going to have a goal of putting 100,000 police on the street. You apply for the money, and get it, but we're not telling you who to hire, how to train them, how to deploy them, what kind of community groups they have to work with, you decide.

So the governor of Kentucky and I were in Louisville the other day looking at one of the community policing operations there driving the crime rate down. I was in Manchester, New Hampshire looking at one of the community policing operations that's driving the crime rate down. Every state here has communities where the crime rate is going down. One of our major news magazines had a cover story with the Commissioner of Police of New York City talking about the crime rate going down -- it said, have we found a way to turn the corner on crime? That is the kind of partnership we ought to have. I believe Goals 2000 fits that mold. The federal government's education programs are far less prescriptive now than the years I served as the governor before I came here as President.

Goals 2000 is consistent with the work gone by Governor Romer. It says that we should have national standards, states should agree to meet them, but states and the school districts should decide the "how". And we should give people resources and help to let them decide how, not the federal government.

We have also tried to work with you in particular as Governor Thompson said, with the unfunded mandates law, with the dozens of waivers, and with the common efforts we're now making not only to get rid of the Boren Amendment, but to get rid of a lot of other federal requirements that cripple your ability to spend your time and your money helping your people to deal with their challenges.

We have tried to run this smaller federal government better, stepping up the fight against illegal immigration at the border and in the workplace, collecting record amounts of child support, cutting the student loan default rate almost in half, doubling the loan volume at SBA while we cut the budget by 40 percent, adopting customer service standards for every federal agency, and I'm really proud of the fact that one of the major business magazines just last year which gives awards every year to corporations in America that serve the public the best -- in the category for best service over the telephone, competing with L.L. Bean, Federal Express and a lot of other things, the winner last year was the Social Security Administration; I'm proud of that. We are trying to give the American people a government that is smaller, that costs less, that works better, and that works with you.

The first thing we need to do now is to finish the work of balancing the budget. We all know there's plenty of blame to go around for what happened in the years before we started working on this three years ago. I am proud that the deficit has been cut in half in the last three years. It is obvious that we need to finish the job. It is also obvious that this is a job that will never be finished -- at least not in our lifetime, because when baby boomers, people my age and younger begin to move toward their retirement years, the demographic changes in America will impose great new challenges on the budget, and this work of keeping our budget under control will have to be done year-in and year-out for a long time to come.

But we do know that based on the work we have already done, there are savings common to both the Republican plan, the plan that I have put forward, that amount to about \$700 billion -- more than enough to balance the budget, and enough to meet my criteria of protecting the Medicare and Medicaid programs, our investments in education and the environment, and providing a modest tax cut.

We know that there are a lot of policy areas where we do agree, as well as some where we don't. I wish, on the whole, that the American people could have watched Senator Dole and Speaker Gingrich and Mr. Armey and Senator Daschle and Mr. Gephardt and the Vice President, Mr. Panetta and I, over these last 50 hours of discussions we've had, because we tried to do things the way you try to do them here. And we were able to identify significant areas of agreement.

Whichever Medicare program is passed, for example, it will be a program that estimates that we can slow medical inflation in the Medicare program below the projected rate of medical inflation in the private sector by aggressive incentives to seniors to move to managed care. With all the other differences of opinion, that is still there.

However the final Medicaid program comes out -- and I think you have gone a long way toward influencing that today in a positive and constructive way -- we are going to slow the inflation rate in

Medicaid well below the projected rate of health inflation in the private sector, because of giving you greater flexibility to move toward managed care and to do other things as well.

This is encouraging. So I believe the first thing we have to do is to finish this job. We cannot in good conscience, even though this is an election year, have a work stoppage between now and November; we have to go on and finish the work of balancing this budget. (Applause.) Let me say again, I was very encouraged by what Senator Dole said today; that is exactly my impression of where things are, and I believe we will get an agreement, and I look forward to continuing our efforts there.

I also believe we can get an agreement on Medicaid. You have done a lot of work which will help us immensely in that regard. You have always said that you could run this program better if you didn't have your hands tied and you didn't have to ask Washington's permission every time you wanted to do something.

We have known for a long time that the initial good impulse of supporting the Boren Amendment was a mistake. We have known for a long time that you shouldn't have to ask the federal government every time you want to change your payment schedule to providers and every time you want to put in a new managed care program or make some other change.

You have come up with a proposal that enables you to have that kind of flexibility and still preserves the nation's ability to guarantee medical care for poor children, for pregnant women, for people with disabilities and older Americans. This is a huge step in the right direction.

As you know from our discussion yesterday, I still have some concerns. As you have acknowledged, we have to get any proposals scored by the Congressional Budget Office, we have to clarify -- at least I need some clarification on some other issues which we discussed yesterday in terms of the definitions of disability and making sure there will be someplace where a clearly enforceable right is held for people with regard to the benefits to which they're entitled.

And there are some other issues which we just didn't discuss because we didn't have enough time, like how the people who are now getting Medicaid help to pay their Medicare premiums will be able to continue that so they don't lose their Medicare coverage. But I am convinced we can work these out, and I am very encouraged by the work that you have done.

Let me also say that I think there is one other thing that we ought to do on health care, and I'd like to ask for your help on that, even though it's something that has to be done here in Washington.

If we cannot follow the other advanced economies of the world and ensure that everybody has health insurance, at least we ought to be

able to ensure that everybody has access to health insurance. There is a bill in the Senate now, sponsored by Senator Kassebaum of Kansas and Senator Kennedy of Massachusetts, which would simply say that insurance companies cannot deny coverage for people because somebody in their family has a pre-existing condition. And people can keep their insurance if they move from job to job; they can't be cut off.

The bill would also provide incentives for pooling operations to be set up so that more small businesses can buy insurance. I know that California and Florida in particular have had some very good results with efforts in this area already.

It is a good bill. It has 43 cosponsors, Republican and Democrat. It was voted out of the committee unanimously, and it has not been brought to a vote yet because of pressures against it. I think it is quite important that bill be brought to a vote. It is one thing we could do, a simple bipartisan act we could take, that would increase the sense of security for millions of people in working families who are doing everything they can to do the right thing in this country.

Finally, let me say I applaud the work that you have done, again in a bipartisan fashion, on welfare reform. I know you haven't -- I don't think you've voted on that policy yet, but we discussed it some yesterday. I've seen some of the changes you've made. I heard what Senator Dole said about child care, agreeing with you and me on that. That's a very good sign.

Let me just be as simple as I can about this: I think the objective of welfare reform should be to break the cycle of dependency in a way that promotes responsibility, work, and parenthood. I believe that our objective for all Americans should be to make sure that every family can succeed at home and at work, not to make people choose.

If a family has an adult that succeeds at work by sacrificing on the home front, our country is weaker because our first and most important job, every one of us who has children, is to be good parents. If a family can only work at home when they fail at work, then our economy will be hurt and all of our efforts to promote independence will be undermined.

So everything I have done in this welfare debate has been designed with that in mind. How can we design a system that will be tough on responsibility, tough on work requirements, disciplined; but that will reward family and child rearing, as well as movement into the workplace?

And I think if we all keep that in mind, that we want a country where people succeed at work and succeed at home, then we'll come to answers in common, like the child care answer that the governors recommended. We will do that.

In terms of the details of running the program and your not having to come to us every time you want a waiver, I could not agree more with that. I think there have been -- a lot of the good ideas that have come out of this in the last three years, every one of them -- as far as I know -- has come from the states. If you just -- look, let me just mention one that I have promoted relentlessly since Oregon and a number of other states started trying it -- but in the areas where there are not enough jobs today, how are we going to get jobs for people on welfare? In the areas where the markets are tight, how will we give employers an incentive to hire people on welfare?

One of the things that you can do now -- but every one of you will be able to do if we pass meaningful welfare reform, is to make your own decision to cash out the welfare and food stamp benefits and give it in the form of a job supplement to an employer to hire somebody to go to work, instead of to stay idle and draw that same amount of money.

There are lots of things like this that can be done. You can do it. And I believe we're going to pass welfare reform legislation and I think when you take a stand here today saying that we ought to -- that the Senate bill was a good bill, I thought -- and I thought far superior on most points to the one that came out of the conference that I vetoed -- but it had some problems and the biggest one for most states was the child care problem. You have addressed that here. And you have said, okay, be tough on people; make them go to work, but don't ask them to hurt their children. That's all any American could ever ask. And I think when you do that, you're going to give us a real chance to pass welfare reform, and I thank you for that.

So I would say, again, I think you've had a pretty good meeting here. I think you have contributed to the climate that will help us to balance the budget. You have contributed immeasurably to helping us to resolve the impasse over Medicaid. You have contributed to the impulse to move to genuine welfare reform. We can do all these things if we do them together. Let me say again, every time this country works together, every time we reach across the lines that divide us, we never fail. We dissipate cynicism, we dissipate mistrust, we dissipate anxiety, we dissipate anger every time we do that.

Abraham Lincoln said this a long time ago: "We can succeed only by concert. It is not 'Can any of us imagine better,' but 'Can we all do better.'" The governors always attempt to answer that question with a resounding "yes."

Thank you very much.

END

11:55 A.M. EST

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

February 5, 1996

OPENING REMARKS BY THE PRESIDENT
AT ROUNDTABLE WITH
THE NATIONAL GOVERNORS' ASSOCIATION

9:45 A.M. EST

THE PRESIDENT: Good morning, Governor Thompson, Governor Miller, to all the governors, welcome back to the White House and back to Washington for the annual meeting of the NGA. I know that you have been working very hard in a bipartisan fashion to try to reach agreement on a number of issues that are important to your people and to us here in Washington, including Medicaid and welfare, issues of education and training, and I look forward to discussing those.

I do want to say that all these issues have to be seen in light of the most important issue still facing us here today, and that is the federal budget. As required by law, today I am submitting to Congress my proposed budget for fiscal year 1997. It balances the budget in seven years, according to the Congressional Budget Office's economic estimates. I want the governors now to work with us to balance this budget and I am very hopeful that we can achieve a balanced budget this year.

The plan I propose cuts hundreds of programs, continues our efforts to downsize the government, but it protects Medicare, Medicaid, education and the environment and cuts taxes for working families. It reforms welfare and addresses our challenges to renew schools, provide economic security and preserve the environment with the initiatives that I announced in the State of the Union, including those on the environment and the educational initiatives of a \$10,000 deduction for college tuition, more merit scholarships and a million young people able to work their way through college in work study. It includes the health care reforms that have historically received bipartisan support in the Congress, including requirements that people can't be cut off their insurance when they change jobs or when someone in the family gets sick.

As you know, the Republican congressional leadership and I have spent many months discussing this budget. We have spent well over 50 hours together in small meetings. Now in common, our plans have \$700 billion in specific spending cuts. That is more than

enough to balance the budget in seven years and to provide a modest tax cut. I hope we can set aside partisanship and divisions, as you often do in the NGA, and provide a balanced budget plan to the American people in the near future.

You know how important this is. You have seen some of what happens when we have government by continuing resolution. It really leads to irresolution. We have Head Start programs all over the country now staggering from month to month, school boards across the country actually planning for some lay-offs because we do not have a final budget passed by the Congress.

I know you all have a stake in resolving this matter. I know we're going to discuss at least two issues today, that if they could be resolved would help us to pass a balanced budget. And I am looking forward to it, the discussion of Medicaid, which I would like to say just a few words about, more when our private discussion starts. We want to restrain the cost of Medicaid. Our budget proposal has a rate of increase for Medicaid, which is far below the projected rate of increase of overall health care costs. We know to achieve this we have to give the states far greater flexibility on how Medicaid will work.

We also know, in this administration, that we must maintain a commitment, a national commitment, to seniors, to pregnant women, to poor children, to people with disability, that they will receive the quality health care they are now receiving.

Second, I believe we're close, Congress and I, to an agreement on sweeping welfare reform that is very consistent with what the governors have advocated for years. It would reward work, require family and responsibility strengthening. It would advance the values of the United States instead of undermining them. I know that you have some new proposals on that today, and I look forward to hearing them. I do believe we're quite close on welfare reform with the Congress. I do believe it is terribly important, and I hope we can do it, again, just in the next few weeks.

Third, I hope we have a chance to discuss how we should overhaul our nation's job-training system. More and more business leaders I speak with around the country tell me that they believe that in order to break this cycle of stagnant wages and job insecurity that is gripping about half our work force, we are going to have to do more to upgrade the skills of the existing work force. We're going to have to do it in a more innovative way. The GI bill for America's workers that I proposed would provide a collapsing of these scores of government training programs the federal government has into a voucher that workers could receive directly and take to their local community college or other approved institution. I know we have some differences of opinion on that, but I do believe that in this case people are most likely to know their own best interests as long as they are protected from

fly-by-night operations by our common endeavors.

At any rate, it is clear to me that unless we do something substantial to upgrade the skills of the existing workforce, it's going to be difficult for them to break out of the cycle of stagnant wages and job insecurity that has prevented a large number of American families from enjoying the economic recovery that our country has had for the last few years.

Now, finally, let me say something that I think we can all agree on. This is President Reagan's 85th birthday. They're having a big party in California. And I think every American citizen, and I know every American governor, will join the Vice President and me in wishing him a very happy birthday and sending our best wishes to his entire family.

Thank you very much.

END

9:53 P.M. EST



Laura K. Capps
07/22/97 09:42:19 AM

Record Type: Record

To: Amatullah S. King/WHO/EOP

cc:

Subject: NGA Feb 3 mtg.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

February 3, 1997

REMARKS BY THE PRESIDENT AT NATIONAL GOVERNORS ASSOCIATION MEETING

East Room

9:50 A.M. EST

THE PRESIDENT: Good morning. Governor Miller, Governor Voinovich; good morning to all the governors who are here. It was wonderful to see all of you last night, and I'm glad to welcome you back to the White House.

This is an unusual opportunity for our country and for every state. The nation is strong; we are at peace; we have extraordinary prosperity. But we know we're living through a time of great change in the way we work, in the way we live, the way we relate to each other; that there are significant challenges which if not faced will have destructive consequences for our nation in the years ahead.

So as we stand on the edge of this new century and this profoundly new era, we have a unique opportunity and a common responsibility which is to take action together to try to prepare this country not just for the next four years, but for the next 50 years.

In the State of the Union Address tomorrow night I'm going to lay out the challenges that I see not only for the President and the Congress, but also for the states and local

communities and private citizens. Because there will be a great deal in that speech about the states and the issues of education and welfare reform and other issues of common concern, I want to invite any of you who can stay to stay tomorrow night and to come into the chamber of the Capitol and sit as a group, as many as would like to stay, and be there at the State of the Union Address.

I know that many of you have concerns about welfare reform or Medicare spending or education or the environment, transportation. I'm looking forward to addressing those concerns, beginning today at this meeting, but also every day for the next four years. I want every one of you to feel that you can always call this White House and you will have someone, even if we don't always agree, who understands your concerns and will do his best to address them. And I thank you.

Mr. Chairman.

GOVERNOR MILLER: Thank you, Mr. President and Mr. Vice President, for having us over to discuss the issues and concerns of the moment. And we, again, appreciated last night's dinner, and the fact that we're back here today indicates that you haven't completed the inventory on missing silverware. (Laughter.)

I want to also thank you for the wonderful weather that we're seeing here -- it has not been true in parts of the country, especially in the western part, where I'm from. As you know, we've had the worst floods in the history of Nevada some months ago. We were delighted with the response from Mr. Witt and FEMA. I think they are a landmark of what cooperation should be between federal agencies and state and local government. And I very much appreciated your personal phone call assuring me that you would build bridges for people to cross. However, I think we will be dry again before the 21st century, so that part might not be necessary.

The relationship between the states and the federal government I think has been reexamined very carefully by yourself and your administration the last four years. And much of the obstacles that faced the states four years ago are no longer as paramount as they were because of your leadership. The dramatic improvement in the operation of FEMA is perhaps a premiere example, granting waivers to individuals with Medicare, empowering the states to move forward in what has now been successful welfare reform, and other imbalances are issues that we feel are critical in discussion with you and we would like to discuss all of those.

But, as you will recall, last March you attended with us an education summit in Palisades, New York, in which we set a tone for what we believe is critical to the future of this country, and that is enhancement in the quality of education, from standards, assessments, and accountability. We intend to continue to pursue that, look forward to your leadership and working with you on those issues. And in this particular conference, we intend to expand that scope to include the earliest years of life and a recognition that in those first several years, from zero to three, or by some accounts, four or five, there are many components of involvement that we are lacking at this point in time, and I think is part of the picture of

raising the next generation, which I know is of concern to you.

So we thank you for your time, your interest, and the open dialogue you always provide us.

THE PRESIDENT: Thank you.

Governor Voinovich.

GOVERNOR VOINOVICH: Yes, thank you, Mr. President. We're pleased to be here again, and I was thinking last night --thank you for the wonderful evening -- that when I first came here in '91 you were the governor of Arkansas and Bush was President, and your party controlled both the House and the Senate, and we had 17 Republican governors. And today, you're the President, we have 32 Republican governors, and our party controls the House and the Senate. And I think that the real question that --

THE PRESIDENT: Most Democrats would think that was a bad swap. (Laughter.)

GOVERNOR VOINOVICH: Bob Miller said earlier that he thought it was pretty good. (Laughter.)

But I think the question really is, can we work together and find common ground to move things ahead. I think that all of us recognize that if we're going to be successful, we have to work together, that we do have a symbiotic relationship with each other.

This organization has some very specific goals that we want to achieve in our Governors Agenda for the 105th Congress we talk about government that works harder and smarter and invests in the future, is one that demands efficiency in delivering services, ensures that benefits of federal programs out-weigh the costs, restores public confidence in government by devolving more responsibility to the states and making programs better fit diverse communities; and last, protects long-term investments critical of the future of our country such as programs that promote children's healthy development and school readiness and an effective national transportation system.

Now, we can't get that done without you. Yesterday your Chief of Staff was in talking to us about your eight goals and what you want to achieve. And it was very interesting -- the first two dealt with our deficiency or financial deficit, and the other was the human deficit. And all the other ones kind of fit in to those two things -- human and financial deficits. And I just listened and I thought to myself, you can't get what you want done unless we cooperate with you.

And one of the things that all of us are concerned about is that we've got some 600 categorical programs today on the federal level that serve basically the same people, and isn't there a way that we can deliver services to those people in a better way? Can we rationalize, can we consolidate, and do this not just in the environment of budget deficit reduction, but

perhaps maybe sitting down with you and some task force and start going through these things? And can we do this over a period of time so we can do a better job of keeping our costs down and delivering services to the people that we all represent?

And I really believe, Mr. President, that if we could do that during the next four years that that could be the most significant legacy that you could leave this country, and perhaps maybe the most significant domestic legacy that any President has accomplished this century. And I just want you to know that all of us, Republicans and Democrats, want to work with you to see if we can achieve our mutual goals and thereby help our fellow citizens.

THE PRESIDENT: Thank you. Mr. Vice President.

THE VICE PRESIDENT: Thank you. Mr. President, Governor Miller, Governor Voinovich, governors, members of the Cabinet and the key members of the President's staff: I'll be speaking to the governors this afternoon on behalf of the President, and so I will not do anything other than make a brief point here this morning.

These meetings, as those of you who have been here during the last four years know, are really unusual compared to those conducted by any other President in my memory. And those of us who work closely with President Clinton have come to believe that when all of you all come to town and come in here and sit around this table, he relives his time as governor of Arkansas and gets completely back into the perspective of a chief executive of a state.

In any event, it is that perspective that has been brought to bear in our work on reinvention. And, Governor Voinovich, you mentioned the need for further reinvention. We wholeheartedly agree. Governor Miller, you were kind enough to cite FEMA as an example of some of the reinvention that has already taken place. In the budget that the President is going to present in his State of the Union, he will find an acceleration of the reinvention agenda. I just wanted to briefly say this morning that it is going to be pursued, pursuant to the President's instructions, in a way that does not limit the flexibility that you have as governors to proceed with the reinvention efforts that you have underway.

There are difficulties, because never before has the federal government downsized in anything like the way it has during these last four years -- 285,000 fewer people on the federal payroll. That downsizing will continue. And there will be significant additions to it -- the elimination and consolidation of more than a hundred lower-priority programs and offices and agencies, and that will continue.

In any event, we look forward to working closely with you in all of these matters, and I look forward to hearing the President lead this discussion that will commence right now.

THE PRESIDENT: Thank you very much.

END 10:02 A.M. EST

NOTE FOR TERRY EDMONDS

FROM: Cynthia Rice (6-2846)

RE: NGA Speech

Here are some basic thoughts about the speech. Attached are backup documents including:

1) a more detailed outline by HHS communications shop 2) a memo from Dept. of Transportation with some backup information about state welfare to work transportation efforts; 3) the 4th of July radio address and fact sheet, which hit upon many of the important themes.

Themes

Four years since we began to reform welfare through waivers --

One year since signing into law most sweeping welfare reform in nation's history --

Much to be proud of -- declining caseloads, innovative programs putting people to work, returning values to the system. Because of EITC and minimum wage, work now pays better than welfare.

But if we want welfare reform to continue to succeed, we can't rest on our laurels. We can't squander this opportunity, in a time of declining caseloads and expanding economy, to invest in putting even more people to work.

Some states are considering doing the opposite -- taking welfare savings and using them not to put more people to work but to fund other state programs. Others states are dragging their feet on child support enforcement, not putting in place the laws and computer systems needed to crack down on deadbeat parents.

I granted waivers to 43 states and signed welfare reform into law because I didn't think governors should have to come to Washington to get permission to impose tough work requirements and time limits and provide incentives to make work pay better than welfare. But with flexibility comes responsibility. We intend to hold states accountable for their actions. Declining caseloads isn't enough. We must focus on employment, job retention, wages -- and preventing a new generation on welfare by keeping teenagers from becoming parents. That's why we've been working with NGA and APWA to define these "high performance" measures on which we'll judge state performance.

States Investing in Child Care

Illinois--increased child care spending by \$100 million, or 80%.

Florida--increased child care spending by \$2 million or 40%.

Illinois, Michigan, and Washington all creating "seamless" child care systems--serving all workers below certain income whether or not they've been on welfare.

Some states (California, Florida, Ohio) providing incentives to encourage child care providers to stay open at night and on weekends, when many parents must work.

State
① Crime - plummeting - COPS -
100,000
38 states - Brady --
② Health Care - (Emily Brunberg) - Kaiser - 52,000 children

States Investing in Transportation

✓

Kentucky has developed a new coordinated system of free transportation for welfare recipients going to work.

Connecticut has earmarked 2.2 million in TANF dollars for new transportation services to move welfare recipients to work.

New Jersey has announced a \$3.7 million transportation initiative to move Work First New Jersey participants to work.

States with Innovative Jobs Programs

Oregon's JOBS Plus uses TANF and food stamps to subsidize paychecks. State has turned welfare offices into employment offices, provides mentors to new workers, focusses on job retention.

Nearly half states (22) are now subsidizing jobs to help welfare recipients get into the workforce.

Almost one-fifth (18) have "upfront diversion" programs which help keep people from going on welfare, by job search assistance and grants for emergency expenses.

States Considering Diverting Funds from Work

Together, we've lowered the welfare rolls by over 3 million people in the four years since I took office. That's a great accomplishment. But we all know that many of the people left on the welfare rolls are those with the least work experience, who may require more help in getting into the workforce. That's why I believe debates in some state Capitols about how to divert welfare savings away from welfare reform to other uses are just plain wrong. Instead, we should invest those savings to put even more people to work.

Falling Down on Child Support Enforcement

Together, we've made great strides in child support enforcement, increasing collections by 50% from \$8 to \$12 billion from 1992 to 1996.

We must do more. That's why we enacted with wide bipartisan support the toughest child support enforcement measures ever as part of last year's welfare law. I'm disappointed, however, that so far only 16 states have enacted all the state laws needed to put these tough new measures into place. Moreover, as many as ten states may not make the deadline imposed by the 1988 Family Support Act to put in place computerized systems to track deadbeat parents.

Idea for POTUS Speech to NGA – July 28 – “A new, New Covenant”

DRAFT

- Five years ago I called for a new covenant that would promote work and responsibility; make welfare a second chance, not a way of life; and break the cycle of welfare forever.
- For four years the Clinton Administration forged that new covenant. We worked to change the welfare system – through waivers, tough child support enforcement, increased child care, expanded EITC, etc. – and finally last year when he signed the welfare law, the new covenant became the law of the land.
- There is a great deal for all of us to be proud of as we look across the nation at the unfolding of welfare reform -- parents with the pride that comes from being able to tell their children they have a job; communities and employers who have gotten together to create jobs and hire and train welfare recipients; welfare workers who for the first time in their lives spend their workday helping people find jobs rather than verifying that they don't have them; children who spend the day in a safe, healthy, good quality child care setting, because their state chose wisely to invest in child care. Already, together we have helped 3 million people move from welfare to self-sufficiency since January 1993. This the largest decrease in the welfare rolls in history and the lowest percentage of the population on welfare since 1970.
- But of course we all know that there is a great deal left to do to truly fulfill the promise of welfare reform. To ensure that the “treaty” is upheld and successful, we need a new agreement. Because the first new covenant was mostly about what the federal government could do to end welfare. We need a new covenant, based on the principles of the first, that involves every American, that says that each one of us has a responsibility to help people move from welfare to independence -- permanently.

Principles of the new, New Covenant: (Melissa's points)

- **Flexibility to Focus on Individual Challenges:** The new welfare system allows welfare workers to do something they have never done before. Instead of just processing forms and doling out welfare checks, now they can look at everyone as an individual with individual problems and challenges and how they can be overcome to help move to work.
- **Returning Values to the Welfare System:** One thing that everyone agrees on is that the old system was broken; it did not reflect our common values of work, responsibility, and family. The welfare reform bill addressed this problem in several ways, including requiring both parents to support their children, allowing local communities to work more closely with religious and non-profit organizations, and providing \$50 million a year to teach teenagers that staying in school and avoiding sexual activity and parenthood are the right things to do.
- **We Succeeded in Fixing What Had to be Fixed:** The central goal of welfare reform, providing the resources and incentives necessary to move single mothers from welfare to work, was achieved last year. But this year's task, eliminating the extraneous provisions that simply punished legal immigrants and childless Food Stamp recipients, was only recently achieved. [Will need update on balanced budget negotiations.] Governors were central to this battle for fairness, agreeing with us that those provisions represented a cost-shift to the states that would have hindered true welfare reform.
- **Every Job Is Better Than Welfare:** All work, any job, even if only 20 hours a week, is better than welfare because of our investments in child care, minimum wage, child support and the EITC. And work gives people financial independence and removes the stigma of being on welfare.
- **Supporting Work:** We need health care and child care to make work pay. Loss of health care is no longer a reason to stay on welfare – because of continued transitional Medicaid coverage and Children's Health Initiative.

- Parental Responsibility: Some people are not good parents and some people that can't work are the same people that can't parent. We must admit this and increase our efforts to protect children (foster care and adoption when necessary) and promote parental responsibility.
- Everyone must be involved: If welfare reform is going to succeed, it's going to take a commitment from everyone, such as:

A New Role for Federal Government:

- Under welfare reform, it is now up to the states, not the federal government to decide what works best to help people move from welfare to work. But that doesn't mean that we no longer have any responsibility. We must continue to support policies that support children and families – minimum wage, Head Start/child care, health care for children, tough child support enforcement, affordable and quality education & housing, safer streets, incentives for businesses, etc. And we must now oversee what is happening across the country to make sure that welfare reform is about work, responsibility and protecting children.

A New Role for State and Local Government:

- The welfare law gave states incredible flexibility to design and implement innovative programs to move people from welfare to work. In most of your states, you had a powerful track record to build on in designing welfare reform because of the welfare reform waiver demonstration projects begun even before the welfare law was signed. And as of today, nearly all states have passed their own legislation to move ahead with the promise of welfare reform.
- Now States must fulfill their responsibility by maintaining their investment, i.e. in the short term – education, training, job search and longer term – child care, health care, transportation, work with the private sector, focus on teen parents and teen pregnancy prevention. And I'm extremely pleased that many of you are making the right choices and making those critical investments. [include some state examples either here or later – see attached]

A New Role for the Private Sector -- Businesses and Civic Organizations:

- But we know that government works from the outside in – it is only the business community, the religious community, the civic organizations, the parents, etc. that can reform welfare from the inside out. We need a commitment from everyone to make welfare reform work:

- Welfare to Work ~~Jobs Challenge~~ ^{Partnership} – business committing to hire welfare recipients
- VPOTUS coalition to help people retain jobs
- Parents taking responsibility for their children – child support, teen pregnancy prevention.
- Build on ~~Volunteerism~~ ^{Seaside} Summit

Working Together We Can Get Where We Need to Go

So today I challenge each of you to bring together the best talent in your state and in your communities to meet our shared goal of making welfare reform a success – for individual families and our American family:

Make and Maintain Critical Investments:

- **Reinvesting in Welfare:** Welfare reform was not about balancing the federal budget. That's why we fixed the provisions in the law that were only about savings and had nothing to do with moving people to work. In the same vain, states should not leverage surplus funds to address other state needs. [examples of "bad" practices – financing big tax cuts, etc – note this should be discussed further, not sure if a good idea].
- I challenge every state to take the money they save from lowering their caseloads and use it – for child care, for transportation, to subsidize training and fair wages that people need to move from welfare to work. I ask you not just to follow the letter of the law when committing your resources to welfare, but also the spirit of the law, making the investment in helping people achieve self-sufficiency

- **Examples:**

Maryland: Maryland has committed to maintaining 100% of its Maintenance of Effort (MOE). Some of the resources are going to demonstration projects in critical areas like reducing teen pregnancy, and most of the money is going back to the local communities for them to reinvest in job training and support services.

Oregon: Oregon intends to invest in case management services and employment training

Indiana: Indiana plans to invest in job placement services, rural transportation and promoting father's responsibilities in child support

- **Child Care:** And I challenge every state to make a significant investment in child care, the most critical support for families moving from welfare to work and low-income working families trying desperately to make ends meet. Parents need child care so they can work without worrying and children need quality child care so they can grow and learn. I made sure that the welfare law included an additional \$4 billion for child care and we'll continue to do our part to ensure affordable, quality care. Now you must do your part, like:
- **Child Care Examples:**

20 states have reported that they are investing additional state money, beyond what the law requires, in child care, and **12 states** report that they are transferring TANF funds to child care.

Florida: Setting a public/private fund for child care, starting with \$2 million.

Illinois and Wisconsin: Illinois is investing \$100 million and Wisconsin is investing \$160 million to reach low-income working families.

- **Child Support:** We know that child support can be the difference between welfare and self-sufficiency. I thank those of you who have worked to ensure that every one of the tough child support measures in the welfare law was enacted into state law. [16 states] For those states which have not yet adopted all of the provisions, this is one of the critical steps in welfare reform, and for the sake of the law and the children,

it can't wait. Work with your legislatures to get it done. And put in place a no-nonsense child support collections system that works for every child and family, such as: **Washington and Colorado.**

Create Work Opportunities

- As I have said all along, if we are going to require people to work we have to provide them with the opportunity to work – that means creating jobs. As you know, we have a Welfare to Work ~~Jobs~~ *Partnership* Challenge that is bringing together CEOs of small and large companies committed to hiring welfare recipients. I challenge you to create partnerships with the private sector in developing your welfare to work programs. I am particularly proud of innovations across the country, such as:
- Welfare to Work Examples: (Note there a lot of other good examples – depends what you need)

North Carolina: North Carolina has made great efforts, as part of the State's Work First Program, to recruit business leaders to hire people off welfare. Many county offices have contracts with the local Chambers of Commerce to hold job fairs once a month and meetings with CEOs.

North Carolina and Louisiana: North Carolina and Louisiana have linked with their EZ/EC's (Charlotte and Louisville) to coordinate and maximize their efforts and resources.

Nevada: Here in Las Vegas the State and the private business sector (hotel/casino industry) have been working closely to create training programs and hire welfare recipients. MGM Grand Hotel has hired over 1500 welfare recipients during the past several years (still checking on issues)

Washington: The Seattle Jobs Initiative is a comprehensive community strategy to move low-income people into the workforce, through a partnership with the city, State, foundations, corporations, community colleges and other non-profit organizations.

Reach Out to All Families

- If we are truly going to reform welfare, our goal has to be to reach every family. Some single mothers have work experience and simply need child care and job search assistance to move from welfare to work. But we know that many long-term welfare recipients lack skills and education, have been victims of domestic violence, are disabled, or have substance abuse problems. We need to focus on those difficult barriers and challenges, not just stop with the easiest families to place in work. That's not going to be easy, but I challenge you, in fulfilling our shared commitment to welfare reform, we must extend the promise of welfare reform to every family. I am thrilled that some of your states are already are doing so:

- Examples:

Michigan: Michigan's Project Zero is an example of a strategy that aims to reach everyone and is demonstration early success.

Utah: Utah's Single Parent Employment Program (SPED), started under a waiver (Bush Administration) includes every family in the program.

New York: New York is proposing to use some of its surplus funds for expanded substance abuse treatment)

State Examples

Examples of States Investing in Welfare:

Maryland: Maryland has committed to maintaining 100% of its Maintenance of Effort (MOE)

Oregon: Oregon intends to invest in case management services and employment training

Indiana: Indiana plans to invest in job placement services, rural transportation and promoting father's responsibilities in child support

Examples of States Investing in Child Care:

20 states have reported that they are investing additional state money, beyond what the law requires, in child care, and 12 states report that they are transferring TANF funds to child care.

Florida: Setting a public/private fund for child care, starting with \$2 million.

Illinois and Wisconsin: Illinois is investing \$100 million and Wisconsin is investing \$160 million to reach low-income working families

Examples of Model Child Support Programs:

Washington: Washington has a strong and innovative program. One of the first administrative process states (executive agency rather than court-based decision-making), Washington State has been a leader in administrative enforcement through liens, levies, and wage assignments. Washington was also the first state with new hire reporting for child support purposes; initial internal evaluations have shown it to be cost-effective and satisfactory to employers.

Colorado: Implements county-administered child support program that was an early leader in centralizing collections (under private contract). The child support collections process has gone from one involving two government agencies in each of the State's 63 counties to a single focal point. An unscientific estimate is that turnaround time to handle payments and send them to the custodial family has dropped to 1 or 2 business days from the previous 15 to 45 days.

Examples of States with Model Welfare to Work Programs:

North Carolina: North Carolina has made great efforts, as part of the State's Work First Program, to recruit business leaders to hire people off welfare. Many county offices have contracts with the local Chambers of Commerce to hold job fairs once a month and meetings with CEOs.

North Carolina and Louisiana: North Carolina and Louisiana have linked with their EZ/EC's (Charlotte and Louisville) to coordinate and maximize their efforts and resources.

Nevada: Here in Las Vegas the State and the private business sector (hotel/casino industry) have been working closely to create training programs and hire welfare recipients. MGM Grand Hotel has hired over 1500 welfare recipients during the past several years (still checking on issues)

Washington: The Seattle Jobs Initiative is a comprehensive community strategy to move low-income people into the workforce, through a partnership with the city, State, foundations, corporations, community colleges and other non-profit organizations.

NOTE: There are so many good examples – Missouri, Kansas, Georgia, etc. – depending on what you need. We can get you more and more detail.

Examples of States Reaching All Families and Investing in “Harder-to-Place” Recipients:

Michigan: Michigan’s Project Zero is an example of a strategy that aims to reach everyone and is demonstration early success.

Utah: Utah’s Single Parent Employment Program (SPED), started under a waiver (Bush Administration) includes every family in the program.

New York: New York is proposing to use some of its surplus funds for expanded substance abuse treatment)

To: John Monahan, Melissa Skofield
From: Seth Harris, Jennifer O'Connor
Subject: NGA speech
Date: July 11, 1997

Could you please include the paragraph below in the draft of NGA speech items you are putting together for the President. Thanks!

"Last year, we fought successfully to give American families a pay raise. It was the right thing to do. The first installment has already given 4 million Americans a raise and a chance to build better futures. By giving them that raise, we said to them, and to all Americans, that if you're willing to take responsibility and go to work, your work will be honored. This September 1, American families will get the second installment of that pay raise. After September 1, ten million Americans will earn an extra thousand dollars a year. While a thousand dollars may not sound like much to some, for many, this bill will make the difference between their ability to keep their family together and their failure to do so. By raising the minimum wage, we reaffirmed our most profoundly American values, offering opportunity to all, demanding responsibility for all, and coming together to do the right thing for those of us who have the hardest time trying to provide for their families.

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STATE ACTIONS TO SUPPORT WELFARE TRANSPORTATION TO WORK

TRANSPORTATION ACCESS TO JOBS

One of the biggest barriers facing people who move from welfare to work is finding transportation to get to jobs, training programs, and day care centers. Studies across the country have shown that over the last decade employment opportunities have become increasingly dispersed. The suburbs now have twice as many jobs as the inner cities, yet the inner cities have the greatest concentration of welfare recipients.

The Access to Jobs proposal included in the Administration's NEXTEA bill calls for a six-year, \$600 million competitive grant program to support new, flexible, innovative transportation services to get people to where the jobs are. A key element in our Access to Jobs proposal is the local collaboration of stakeholders and the coordination of services across communities.

Some communities and states have started to address the transportation challenges of welfare reform. The following states should be acknowledged for their efforts and foresight in bringing together state and local welfare and employment agencies with the private sector and transportation providers to ensure that transportation is available for welfare recipients moving to work.

- **Kentucky** should be honored for its outstanding and comprehensive approach to providing coordinated transportation. Under Gov. Paul Patton's (D) *Empower Kentucky* initiative, four cabinet offices -- Families and Children, Health Services, Workforce Development and Transportation -- came together and combined transportation resources to develop a new coordinated free transportation brokerage system for all their beneficiaries. This system, which Kentucky is now implementing, will assure that transportation is available in all areas of the state, especially those previously underserved.
- In **Connecticut**, Gov. John Rowland (R) has committed to using existing TANF dollars for transportation services. This step is forging new partnerships to provide welfare recipients with the transportation necessary to successfully transition from welfare to work. The Connecticut Department of Social Services allocated \$2.2 million of their Federal Temporary Assistance to Needy Families (TANF) Funds for public transit operators across the State to provide new transportation services to move welfare recipients to work. The Capital Region Council of Governments in Hartford led a broad-based coalition in developing a comprehensive two year welfare to work transportation pilot plan.
- In June, **New Jersey** Gov. Christine Todd Whitman (R) announced a \$3.7 million transportation initiative to move *Work First New Jersey* participants to work. The New Jersey DOT will be providing technical assistance and asking each county to develop a

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transportation coordination plan. Other elements of the initiative are:

- free one-month mass transit passes for welfare recipients;
 - a planning fund to seed solutions to transportation needs;
 - one county demonstration integrating employment transportation into the existing network serving seniors and citizens with disabilities; and,
 - one county demonstration creating a feeder network for short trip connections to public transit.
- **North Carolina** Gov. Jim Hunt (D) is a long-standing proponent of coordinating transportation with human service programs. On a statewide basis, 68% of the total cost of providing services to this state's *Work First* participants goes to buying transportation services. North Carolina is providing technical assistance to counties to bring together the transportation, social services and employment programs to address client mobility needs and is encouraging the use of excess seats on school buses for employment transportation.
 - In **Michigan**, *Project Zero* is a pilot state effort in five counties to reduce to zero the number of public assistance households without earned income. As part of the pilot, three state agencies are partnering to address the transportation barriers faced by participants.
 - **Wisconsin's** Gov. Tommy Thompson (R) has long been a leader in the welfare reform process. Statewide, only 3.5 percent of families receiving public assistance own automobiles. The State developed *Job Ride* in 1989 to respond to the emerging transportation need for welfare recipients. The landmark program sought to link transit-dependent, low-income job seekers with jobs in outlying suburban areas not served by traditional fixed-route transit. Last year, this innovative van pool program served more than 1,100 job placements in Milwaukee and Southeast Wisconsin; in its eight-year history, 72,000 trips to work have been recorded.

On May 20 the President announced grants made to 24 states and one territory by the National Governors' Association, in partnership with the U.S. Department of Transportation, to develop action plans addressing the transportation needs of welfare reform. These grants will foster additional state efforts to develop coordinated transportation strategies that support their welfare to work efforts.

24 states and one territory are participating: Alaska, Arkansas, Connecticut, Delaware, Illinois, Indiana, Iowa, Kentucky, Maryland, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Jersey, North Carolina, Ohio, South Carolina, Tennessee, Texas, the Virgin Islands, Virginia, Washington, Wisconsin, and Wyoming.

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TRANSPORTATION HIGHWAY CONSTRUCTION JOBS

Since transportation and construction jobs are among America's best-paying, we want to open opportunities in these fields to welfare recipients and other disadvantaged people. Given the shortage of skilled construction labor and the aging workforce (average age 55 and rising), this is a particularly good time to target entry level construction industry jobs.

DOT's On-the-Job Training (OJT) Program requires that Federally-funded highway projects provide apprenticeships and training positions in higher-paying transportation trades, such as carpentry, concrete finishing, and truck driving. These help women, minorities, and disadvantaged people move into America's construction industry. States determine the number of training slots on each project.

DOT's On-the-Job Training Supportive Services Program (OJTSS) complements the OJT program by providing contractors, apprentices, and trainees with such services as recruitment, counseling and job placement, transportation, child care, and skills training. In FY 96 only 12 states used the funding allowable under this program.

NEXTEA would increase incentives for states and localities to provide job training in conjunction with Federally-funded technology and construction projects. Further the proposed legislation would enable them to establish hiring preferences favoring in-state welfare recipients and residents of Empowerment Zones and Enterprise Communities on Federal-aid highway projects.

Some states have outstanding records in using the OJT and OJTSS programs to train and place women and disadvantaged people. Since 90% of welfare recipients are women, these programs hold promise for moving welfare recipients into good paying jobs.

- **Maine** is a leader in moving women into the construction trades. Since 1988 Maine's Department of Transportation has trained over 350 women for jobs in the highway and bridge construction industry. Over 150 women-- one half of whom were welfare recipients -- worked on three recent major demonstration projects. Child care specifically geared to construction work schedules is a key element to the program's success. For example, the program, which requires a nominal contribution from the employees, has contributed to a record high number of women working on the Portland Bridge project. *Women now account for 10 percent of the building trades workforce in Maine.*
- The **Rhode Island** Department of Transportation (RIDOT) has revamped its OJT/apprentice program to provide much more comprehensive training. Rather than assigning training slots to specific Federally-funded contracts, contractors are encourage to hire trainees for an entire season. RIDOT has generously increased the reimbursement amount for the Federally-funded work. RIDOT is also establishing a Commercial Drivers License initiative to provide training and employment opportunities for minority women on welfare.

THE WHITE HOUSE
Office of the Press Secretary

Embargoed For Release
Until 10:06 A.M. EDT
Saturday, July 5, 1997

RADIO ADDRESS BY THE PRESIDENT
TO THE NATION

The Oval Office

THE PRESIDENT: Good morning. We come together this weekend to celebrate Independence Day, our 221 years of freedom and the fundamental values that unite us as one America: All of us should have an equal chance to succeed, and all of us have the same obligation to work hard, to be law-abiding citizens, to give something back to our community to earn in our generation the freedom our Founders established.

These are the values that have guided our efforts to end welfare as we know it. Today, I want to talk to you about the progress we have made over the last four and a half years, the changes now underway, and what we must do -- all of us -- to make sure that welfare reform honors those values, too.

For four and a half years, my administration has been committed to putting an end to the old welfare system that trapped too many families in a cycle of despair. Working with the states, we first launched welfare reform experiments in 43 states that emphasize work and personal responsibility.

Then, last summer, I signed historic legislation that revolutionized welfare into a system that supports families and children, but demands work from those who are able to perform it. It was a dramatic step, but we knew the time was right to put an end to a system that was broken beyond repair. As of July 1st, just a few days ago, welfare reform has taken effect in all 50 states. This week, the old welfare system came to an end. Now a new system based on work is taking its place. This system demands responsibility, but not only from the people who are now required to work, but also from every American.

MORE

We knew last August that the new welfare reform law was not a guarantee, but a bold experiment. So far, it's working. I am pleased to announce that today there are 3 million fewer people on welfare than there were the day I took office -- a remarkable 1.2 million fewer since I signed welfare reform into law. This is the largest decrease in the welfare rolls in history, giving us the lowest percentage of our population on welfare since 1970.

We have begun to put an end to the culture of dependency, and to elevate our values of family, work and responsibility. But we have only begun. Now we must continue to work together to meet our goal of moving a million more people from welfare to work by the year 2000.

Since I took office, the economy has added 12.5 million new jobs -- and many economists believe we will continue to produce the jobs we need to meet our challenge. But even so, it won't be easy, because many of the people who remain on welfare have never worked before; still others live in poor communities without enough jobs. So if we expect people to work, we need to make sure there's work for them to go to. And we need to make sure that those with no previous work experience, without present connections to mainstream America, get both the preparation and the support they need to succeed.

The national government will do its part. First, the balanced budget agreement we reached with Congress in May provides \$3 billion to create jobs to move people from welfare to work. I secured a commitment from congressional leaders to give private employers tax incentives to hire long-term welfare recipients as well. And I believe that every one of those new workers should earn at least the minimum wage and receive the protections of existing employment laws that other workers enjoy.

Second, we must help welfare recipients get to the new jobs, which often are outside their neighborhoods. That's why I recently proposed legislation providing \$600 million to help states and local communities devise transportation strategies to move people from welfare to work.

Third, we must make sure that mothers who must now go to work have good child care and adequate health care for their children. That's why I made sure that the welfare reform bill added \$4 billion more in child care assistance, and why I fought for the Balanced Budget Agreement to extend health care coverage to millions more uninsured children.

States must also do their part. Many states are already working to reduce caseloads and free resources to put even more people to work. For example, Wisconsin and Florida are significantly increasing their investments in child care. In Oregon, they're providing health care and transportation support, and subsidizing jobs with money that used to pay for welfare checks.

Today, I challenge every state to take the money they save from lowering their caseloads and use it -- for child care, for transportation, to subsidize the training and wage help that people need to move from welfare to work.

As much as the national and state governments can do to move people from welfare to work, we know the vast majority of the jobs must be created by private business. The most lasting way to bring people on welfare into the mainstream of American life is with a solid job in the private sector.

So, to every businessperson who has ever criticized the old system, I say: That system is gone. It's now up to you to help make the new system work. Already, businesses of all sizes have joined in a national Welfare-To-Work Partnership, committed to hiring welfare recipients and to recruiting other employers to join them. I've committed the federal government to hire 10,000 welfare recipients over the next four years. If you have a business and can hire just one, it will be a great citizen service.

This Independence Day, all Americans should be very happy that 3 million of our fellow citizens are now off welfare rolls. If we can provide another million jobs, then we'll have about 3 million more workers and their children who can celebrate their own independence day by the turn of the century.

So as we celebrate our nation's past and the values that unite us, let us look forward to the future, and let us redouble our determination to give more and more of our fellow citizens their own personal independence day. Thanks for listening.

END

MORE

PRESIDENT CLINTON ANNOUNCES PROGRESS ON MOVING PEOPLE FROM WELFARE TO INDEPENDENCE

July 4, 1997

Today, in his weekly radio address to the nation, President Clinton announced new data showing that welfare caseloads have declined by more than 3.1 million or 22% since he took office in January 1993. The President also marked the July 1 implementation of the historic welfare reform law he signed last year, announcing that all states now have been certified to move forward with their plans to move more people from welfare to work. In celebration of Independence Day, he urged all Americans to do even more to fulfill the promise of welfare reform and help welfare recipients achieve self-sufficiency.

Moving Forward on the Promise of Welfare Reform

On July 1 the historic welfare law that the President signed last August went into effect in every state, making work and responsibility the law of the land. As the President announced today, the Department of Health and Human Services has certified welfare plans for each state. In accordance with the welfare law, all plans require work, impose time limits, and demand personal responsibility.

Even before welfare reform many states were well on their way to changing their welfare programs to jobs programs. By waiving certain provisions in federal statutes, the Clinton Administration allowed 43 states -- more than all previous Administrations combined -- to require work, time-limit assistance, make work pay, improve child support enforcement, and encourage parental responsibility. Nearly 90 percent of states have chosen to continue or build on their welfare demonstration projects approved by the Clinton Administration.

Largest Caseload Decline in History

According to the latest welfare caseload statistics announced by the President today, great progress has already been made in moving people from welfare to self-sufficiency. The welfare caseloads fell by 3.1 million recipients from 14.1 million recipients in January 1993 to just below 11 million in April 1997, a drop of 22% since President Clinton took office. Forty-seven out of fifty states have seen their caseloads decline, 30 by more than 25 percent. This is the largest welfare caseload decline in history and the lowest percentage of the population on welfare since 1970.

In May, the Council of Economic Advisors (CEA) issued a report to explain some of the reasons for the dramatic decline in the welfare caseload during the last four years. According to CEA's analysis, over 40 percent of the reduction in the welfare rolls can be attributed to the strong economic growth during the Clinton Administration, nearly one-third can be attributed to waivers granted to states to test innovative strategies to move people from welfare to work, and the rest is attributed to other factors, which may include the Administration's expansion of the Earned Income Tax Credit, strengthened child support enforcement, and increased funding for child care.

Maintaining the Commitment to Make Welfare Reform Work

The President has pledged to make welfare reform a success and help move a million people on welfare into the workforce by the year 2000. The balanced budget agreement includes the \$3.6 billion that the President requested to help cities and states create and subsidize jobs for the hardest to employ welfare recipients and to provide tax credits and other incentives for businesses that hire people off welfare.

In addition, the President has enlisted the business community's leadership in welfare reform. At the President's urging, the Welfare to Work Partnership, chaired by United Airlines CEO Gerald Greenwald, was launched in May to lead the national business effort to hire people from the welfare rolls. To help former welfare recipients stay in the workforce and succeed, the Vice President has created a coalition of civic groups committed to helping people retain jobs. The Vice President is also overseeing the federal government's hiring initiative, in which under the President's direction, Federal agencies have committed to directly hire at least 10,000 welfare recipients in the next four years.

THE WHITE HOUSE

WASHINGTON

July 24, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: BRUCE REED
CYNTHIA RICE

SUBJECT: NEXT WEEK'S SPEECH ON STATE WELFARE REFORM EFFORTS

On Monday, July 28th, you will speak to the National Governors' Association in Las Vegas. We believe your speech is an opportunity to make a major statement on welfare reform one year after you signed the new law into effect and four years after you began to reform welfare by granting waivers to the states. You are scheduled to follow this speech with a Welfare to Work Partnership event on August 12th with several hundred business leaders in St. Louis who will accept your challenge to hire welfare recipients.

We thought that in the NGA speech you could provide a statement of the principles and values that have guided welfare reform. You could discuss the importance of work and responsibility, of requiring both parents to support their children, and also of teaching teenagers that staying in school and avoiding parenthood are the right things to do. You could talk about the new role of welfare workers: not to dole out checks, but to assist welfare recipients in meeting the challenge of joining the workforce. And you could talk about the need to support work -- to make sure it pays better than welfare -- through the minimum wage, EITC, child support, and investments in health care, child care, and transportation.

We also thought that in the NGA speech you could turn the spotlight on the states: to underscore the successes -- but also point out some of the shortcomings -- of state welfare reform efforts. You could emphasize that while we have much to be proud of, we cannot rest on our laurels. Instead, states must seize the opportunity to use savings from declining caseloads and the growing economy to put even more people to work. Many states are investing new funds in child care, transportation, and other welfare-to-work efforts; others are diverting savings to other parts of their budgets. We thought you could praise those who are doing the right thing, and scold, though not by name, those who are not. Overall, we hope in this speech that you could send a signal that we intend to hold states accountable for their actions.

Finally, you could include an update on education standards in the speech, probably referring to the announcements you will have made on Friday of the big city school districts that have agreed to adopt the new tests.

The State of the States

As you know, welfare reform began long before last August, with the waivers we granted to 43 states to allow them to impose tough work requirements and time limits and provide incentives to make work pay better than welfare. Under the new law, nearly 90 percent of these states have chosen to continue or build upon their waivers. Many of these states have intensified their efforts, either expanding small demonstration projects state-wide or leveraging additional financial or community resources for welfare to work efforts. Other states are simply in a holding pattern, postponing changes because of political conflict (i.e., New York and California) or for other reasons. Here's a summary of some of the interesting trends we've uncovered.

Child Care: Efforts to expand child care are widespread. Because of the additional \$4 billion we secured in the welfare law, all states are receiving more federal funds, which they must match with their own dollars. About half the states are increasing their spending beyond what is needed to match the new federal funds. Some states are adding quite a bit more: Wisconsin is adding \$160 million, Illinois is adding \$100 million, and Florida is adding \$23 million in new funds and shifting \$60 million from the welfare block grant to child care. A new paper by the Progressive Policy Institute praises Illinois, Michigan, and Washington for establishing "seamless" child care systems which provide subsidies for all workers below a certain income, whether they've been on welfare or not. (There's a growing concern that some states are short-changing the working poor by giving former welfare recipients priority for child care subsidies. Creating a universal, income-based system avoids that problem.)

Transportation: Several states have developed strategies to ensure welfare recipients have the transportation they need to get to work. Kentucky is now implementing an initiative to ensure that transportation is available in all areas of the state. Connecticut is earmarking \$2.2 million of its TANF funds for new transportation services for welfare recipients. New Jersey has announced a \$3.7 million initiative to move *Work First New Jersey* participants to work. In May, the Department of Transportation worked with NGA to award planning grants to help 24 states develop transportation strategies to support their welfare to work efforts.

Welfare to Work Programs: Nearly all state welfare-to-work programs include the traditional elements: job search, training, education, community work experience, and placement in unsubsidized jobs. But now, according to a new survey by NGA, 36 states are using welfare checks to subsidize private jobs, although mostly on a small scale. Twenty-seven states have "upfront diversion" programs which provide job search assistance or emergency cash grants to help prevent people from going on welfare. Several states (Maryland, Pennsylvania, Florida) provide tax incentives to companies that hire welfare recipients. In many states, the governor and other elected officials are reaching out to the business community to forge new partnerships. In Nevada, the state has set a goal for new casinos to set aside 10 percent of all positions for former welfare recipients.

Diverting Welfare Savings for Other Uses: Not all states are investing welfare savings in child care, transportation, or other welfare to work efforts. According to the Progressive Policy Institute, Ohio is actually cutting state spending on child care and is using some of its savings from lower welfare caseloads for tax cuts (the state protests that, with the infusion of federal dollars, it is still spending more overall on child care than before). In Connecticut, the governor proposed and the legislature enacted a plan which uses federal TANF dollars to replace existing state social services spending. In Texas, the state spent less than one-third of its surplus from declining caseloads on welfare to work programs; the rest was used on state programs previously funded by state dollars.

Child Support Enforcement: As you know, we have made progress in child support enforcement, increasing collections by 50% from 1992 to 1996. Last year's welfare law included tough new measures to help states track deadbeat parents across states lines. To date, however, many states have not enacted all the state laws needed to put these tough new measures into place. According to HHS, one state -- Idaho -- has not enacted any of the new child support provisions required by the new federal law. Moreover, nine states -- including California, which has 22% of the nation's welfare caseload -- will likely not make this October's deadline to put in place new child support computer systems. We think that in your speech you should underscore the need for prompt state action in these areas.